

CIRCULAR DATED 8 APRIL 2026

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE COURSE OF ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR BANK MANAGER, STOCKBROKER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

This Circular is issued by Pavillon Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”). Capitalised terms appearing on the cover of this Circular shall have the same meanings as defined herein.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (the “**CDP**”), you need not forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the attached Proxy Form to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or transferee.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular.

PAVILLON HOLDINGS LTD.

(Company Registration No. 199905141N)
(Incorporated in the Republic of Singapore)

CIRCULAR TO SHAREHOLDERS

in relation to:

- (1) THE PROPOSED DIVERSIFICATION OF THE GROUP’S EXISTING BUSINESS INTO THE PROPERTY BUSINESS (THE “PROPOSED DIVERSIFICATION INTO THE PROPERTY BUSINESS”); AND**
- (2) THE PROPOSED DIVERSIFICATION OF THE GROUP’S EXISTING BUSINESS INTO THE COFFEE BUSINESS (THE “PROPOSED DIVERSIFICATION INTO THE COFFEE BUSINESS”).**

Important Dates and Times

Last date and time for lodgement of Proxy Form	: 20 April 2026 at 3.00 p.m.
Date and time of Extraordinary General Meeting	: 23 April 2026 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held on 23 April 2026 at 3.00 p.m. on the same day)
Place of Extraordinary General Meeting	: Thai Village Restaurant 5 Stadium Walk #02-01 Leisure Park Kallang Singapore 397693

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DEFINITION

In this Circular, the following definitions apply throughout except where the context otherwise requires:

- "Aggregated Transactions"** : Several transactions in respect of the Property Business or the Coffee Business (as the case may be) aggregated over the course of a financial year
- "AGM"** : Annual General Meeting
- "associate"** : (a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
- (i) his immediate family;
 - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more,
- (b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more
- "associated company"** : A company in which at least 20.0% but not more than 50.0% of its shares are held by the Company or the Group
- "Audit and Risk Committee"** : The audit and risk committee of the Company as at the Latest Practicable Date, comprising Mr. Kong WeiLi as chairman and Mr. Francis Lee Fook Wah and Mr. Ding as members
- "Board"** : The board of Directors of the Company
- "Business Day"** : A day on which the SGX-ST is open for trading
- "CDP"** : The Central Depository (Pte) Limited
- "Chairman of the Meeting"** : A Director of the Board, who shall be the appointed chairman of the EGM
- "Circular"** : This circular to Shareholders dated 8 April 2026
- "Companies Act"** : The Companies Act 1967 of Singapore as amended, modified or supplemented from time to time
- "Company"** : Pavillon Holdings Ltd. (Company Registration No. 199905141N) having its registered office at Block 1002 Tai Seng Avenue #01-2536 Singapore 534409

DEFINITION

- “Controlling Shareholder”** : A person who:
- (a) holds directly or indirectly 15.0% or more of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or
 - (b) in fact exercises control over the Company
- “CPF”** : Central Provident Fund of Singapore
- “CPF Agent Banks”** : Banks approved by CPF to be their agent banks
- “CPF Investors”** : Investors who hold shares under the Central Provident Fund Investment Scheme
- “Directors”** : The directors of the Company as at the Latest Practicable Date, and each a “Director”
- “EGM” or “Extraordinary General Meeting”** : The extraordinary general meeting of the Company to be held at Thai Village Restaurant, 5 Stadium Walk, #02-01 Leisure Park Kallang, Singapore 397693 on 23 April 2026 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day), notice of which is set out in pages N-1 to N-4 of this Circular
- “EPS”** : Earnings per Share
- “Existing Business”** : The existing business of the Group, comprising the following business segments:
- (a) restaurant operations, restaurant management services and restaurant franchise business;
 - (b) development, ownership, investment, management, leasing and/or maintenance of commercial and/or residential properties and conduct of complementary business activities to promote or enhance the use and occupancy of commercial and/or residential properties (including but not limited to those involving food and beverage, retail, fine arts, jewellery, auctioneering, exhibitions and event organisation);
 - (c) providing financial leasing services, including but not limited to, hire purchase, leasing, mortgage loans, machinery loans, equipment loans and shipping loans;
 - (d) undertaking financial technology activities in various areas and providing FinTech services¹;

¹ As at the Latest Practicable Date, there were no ongoing activities undertaken by the Group under this segment.

DEFINITION

- (e) sourcing, buying, selling and leasing of all types and brands of cars, vehicles and automobiles (both new and used) and their spare parts and accessories through both online and offline platforms, provision of vehicle service, repair and retrofitting work, and other ancillary or related services such as hire purchase, vehicle financing and motor insurance arrangements²; and
- (f) providing logistics and warehousing solutions and services, including but not limited to, warehousing, transportation, delivery and freight forwarding services

“First Major Transaction”	: The first Major Transaction entered into by the Company in respect of the Property Business or the Coffee Business
“FY”	: Financial year ended, or ending 31 December, as the case may be
“Group”	: The Company and its subsidiaries
“Latest Practicable Date”	: 12 March 2026, being the latest practicable date prior to the finalisation and release of this Circular
“Lease Agreement”	: The cooperation and lease agreement entered into between the Lushui Government Authority, Lushui Agriculture Development Co. and the Lessee, for an initial term of 20 years on 12 June 2025
“Lessee”	: The lessee under the Lease Agreement, being 怒江瑰夏咖啡公司 (Nujiang Geisha Coffee Co.), an indirect wholly owned subsidiary of the Company in the PRC
“Listing Manual”	: The rules of the listing manual of the SGX-ST applicable to an entity listed on the Mainboard, as amended, modified or supplemented from time to time
“Lushui Agriculture Development Co.”	: 泸水农业农村投资开发有限公司 (Lushui Agriculture and Rural Investment Development Co., Ltd.)
“Lushui Government Authority”	: 上江镇人民政府 (The local government of the Shangjiang town in the Lushui county of the PRC)
“Mainboard”	: The Mainboard of the SGX-ST
“Major Transaction”	: Pursuant to Rule 1014 of the Listing Manual, a transaction where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual exceeds 20% but is less than 100%
“Mr. Ding”	: Mr. Ding Furu (丁福如), a non-executive non-independent Director
“Mr. Loh”	: Mr. Loh Beng Kiat, Calvin, the Financial Controller of the Company

² As at the Latest Practicable Date, there were no ongoing activities undertaken by the Group under this segment.

DEFINITION

“New Businesses”	: The Property Business and the Coffee Business
“New Development Group”	: 新发展集团有限公司 (New Development Group Co., Ltd), a company where Mr. Ding is the ultimate controlling shareholder
“New Development Hotel”	: New Development Hotel Management Pte. Ltd. (a company where Mr. Ding is the sole director and shareholder), which has a shareholding interest of 72.98% in the Company as at the Latest Practicable Date
“Notice of EGM”	: The notice of the EGM which is set out in pages N-1 to N-4 of this Circular
“NTA”	: Net tangible assets
“Ordinary Resolution 1”	: The ordinary resolution in relation to the Proposed Diversification into the Property Business proposed for approval in this Circular
“Ordinary Resolution 2”	: The ordinary resolution in relation to the Proposed Diversification into the Coffee Business proposed for approval in this Circular
“PRC” or “China”	: People’s Republic of China
“Property Related Assets”	: The various types of real estate, including but not limited to, residential, hospitality, commercial (retail and office), educational, healthcare, industrial and any other types of properties
“Proposed Diversification”	: The proposed diversification of the Group’s Existing Business to include the New Businesses, as further described in section 2 (<i>The Proposed Diversification of the Group’s Existing Business</i>) of this Circular
“Proposed Diversification into the Coffee Business”	: The proposed diversification of the Group’s Existing Business to include the Coffee Business, as further described in section 2.2.2 (<i>The Proposed Diversification – The Coffee Business: Investing in coffee related business, including, but not limited to, cultivation, plantation, farming, and production of coffee and trading, branding and retailing of coffee and its ancillary products</i>) of this Circular
“Proposed Diversification into the Property Business”	: The proposed diversification of the Group’s Existing Business to include the Property Business, as further described in section 2.2.1 (<i>The Proposed Diversification – The Property Business: Property development, property investment and property management</i>) of this Circular
“Proxy Form”	: The proxy form in respect of the EGM which is set out in pages P-1 to P-3 of this Circular
“Register of Members”	: The register of members of the Company
“Registrar”	: The Registrar of Companies
“Request Form”	: The request form for Shareholders to request a printed copy of this Circular

DEFINITION

"Securities Account"	: A securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
"Securities and Futures Act"	: The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
"SGXNet"	: A broadcast network utilised by companies listed on the SGX-ST for the purposes of sending information (including announcements) to the SGX-ST (or any other broadcast or system networks prescribed by the SGX-ST)
"SGX-ST"	: The Singapore Exchange Securities Trading Limited
"Share Registrar"	: The share registrar of the Company, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.)
"Shareholders"	: Registered holders of Shares, except that where the registered holder is CDP, the term "Shareholders" shall, where the context admits, mean the Depositors whose Securities Accounts maintained are credited with Shares
"Shares"	: Ordinary shares in the share capital of the Company
"SRS Investors"	: Investors who hold shares under the Supplementary Retirement Scheme
"SRS Operators"	: Agent banks approved by CPF under the Supplementary Retirement Scheme
"Substantial Shareholder"	: A Shareholder who has an interest in not less than 5.0% of the issued shares excluding treasury shares and subsidiary holdings in the Company
Currencies, Units and Others	
"%" or "per cent."	: Per centum or percentage
"RMB"	: renminbi, the lawful currency of the PRC
"S\$", and "cents"	: Singapore dollars and cents respectively, the lawful currency of Singapore

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the respective meanings ascribed to them in section 81SF of the Securities and Futures Act, and the terms "**subsidiary**" and "**related corporations**" shall have the meanings ascribed to them respectively in the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter gender and vice versa. References to persons shall, where applicable, include firms, corporations and other entities.

Any reference in this Circular to any enactment is a reference to that statute or enactment for the time being amended or re-enacted up to the Latest Practicable Date. Any term defined under the Companies Act, the Securities and Futures Act, the Listing Manual or any statutory modification thereof and used in this Circular shall, where applicable, have the meaning assigned to it under the Companies Act, the Securities and Futures Act, the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

DEFINITION

Any reference in this Circular to “**Rule**” is a reference to the relevant rule in the Listing Manual as for the time being, unless otherwise stated.

Any discrepancies in the tables included herein between the amounts in the columns of the tables and the totals thereof and relevant percentages (if any) are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Companies incorporated in the PRC do not have official English names, and the English names indicated next to the Chinese names are translated by the Company for reference only.

Unless otherwise provided, all references to RMB to S\$ exchange rate shall be based on the exchange rate of RMB 5.39 to S\$1.00 as published by the Monetary Authority of Singapore as at the Latest Practicable Date.

Morgan Lewis Stamford LLC has been appointed as the legal adviser to the Company as to Singapore law in relation to this Circular.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

Certain statements contained in this Circular, which are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by forward-looking terms such as “expect”, “believe”, “plan”, “intend”, “estimate”, “anticipate”, “may”, “will”, “would”, “could” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. These statements reflect the Company’s current expectations, beliefs, hopes, plans, prospects, intentions or strategies regarding the future and assumptions in light of currently available information.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements.

Section 2.3 (*Rationale for the Proposed Diversification*) of this Circular, as well as other parts of this Circular (to the extent applicable or relevant), contain data, information, figures, projections and statements (including market and industry data that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications) which are forward-looking and based on certain assumptions and projections. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but we are unable to assure you that such information is accurate or complete.

The Group has not conducted an independent review or verified the accuracy or veracity of such data, information, figures and statements and projections (the “**Third Party Data**”). No representation is made by the Group or any person(s) acting on its behalf in respect of any of such Third Party Data or information, and we do not take any responsibility for any of such Third Party Data or information.

Shareholders should not place undue reliance on such forward-looking statements or Third Party Data. The Group, the Directors, and the executive officers of the Company are not representing or warranting to you that the actual future results, performance or achievements of the Company and the Group will be as those discussed in those statements. The respective actual future results may differ materially from those anticipated in these forward-looking statements as a result of the risks faced by the Group. Further, the Company disclaims any responsibility, and undertakes no obligation to update or revise any forward-looking statements contained in this Circular to reflect any change in the Group’s expectations with respect to such statements after the Latest Practicable Date or to reflect any change in events, conditions or circumstances on which the Company based any such statements subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS

PAVILLON HOLDINGS LTD.

(Company Registration No. 199905141N)
(Incorporated in the Republic of Singapore)

Directors:

Mr. Fan Bin (*Executive Chairman*)
Mr. Francis Lee Fook Wah (*Lead Independent Director*)
Mr. Kong WeiLi (*Independent Director*)
Mr. Ding Furu (*Non-Executive and Non-Independent Director*)

Registered Office:

Block 1002
Tai Seng Avenue #01-2536 Singapore
534409

8 April 2026

To: **The Shareholders of Pavillon Holdings Ltd.**

Dear Sir / Madam,

- (1) **THE PROPOSED DIVERSIFICATION OF THE GROUP'S EXISTING BUSINESS INTO THE PROPERTY BUSINESS; AND**
- (2) **THE PROPOSED DIVERSIFICATION OF THE GROUP'S EXISTING BUSINESS INTO THE COFFEE BUSINESS.**

1. INTRODUCTION

1.1 Purpose of Circular

The Directors are convening an EGM at Thai Village Restaurant, 5 Stadium Walk, #02-01 Leisure Park Kallang, Singapore 397693 on 23 April 2026 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day) to seek Shareholders' approval for the proposed diversification of the Group's Existing Business to include the Property Business and the Coffee Business, as further described in section 2 (*The Proposed Diversification of the Group's Existing Business*) of this Circular (the "**Proposed Diversification**").

The purpose of this Circular is to explain the reasons for, and to provide Shareholders with the relevant information relating to the Proposed Diversification into the Property Business, the Proposed Diversification into the Coffee Business, and the resolutions in respect thereof to be tabled at the EGM, and to seek Shareholders' approval for such resolutions. The Notice of EGM is set out at pages N-1 to N-4 of this Circular.

LETTER TO SHAREHOLDERS

1.2 Conditionality of Resolutions

Shareholders are to note that the passing of Ordinary Resolution 1 and Ordinary Resolution 2 are not conditional on each other.

1.3 Disclaimers

The SGX-ST assumes no responsibility for the contents of this Circular, including the accuracy of any of the statements or opinions made or reports contained in this Circular. If a Shareholder is in any doubt as to the course of action he/she/it should take, he/she/it should consult his/her/its bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser immediately.

2. THE PROPOSED DIVERSIFICATION OF THE GROUP'S EXISTING BUSINESS

2.1 Existing Business of the Group

The Group's existing business comprises the following business segments:

- (a) restaurant operations, restaurant management services and restaurant franchise business;
- (b) development, ownership, investment, management, leasing and/or maintenance of commercial and/or residential properties and conduct of complementary business activities to promote or enhance the use and occupancy of commercial and/or residential properties (including but not limited to those involving food and beverage, retail, fine arts, jewellery, auctioneering, exhibitions and event organisation);
- (c) providing financial leasing services, including but not limited to hire purchase, leasing, mortgage loans, machinery loans, equipment loans and shipping loans;
- (d) undertaking financial technology activities in various areas and providing FinTech services³;
- (e) sourcing, buying, selling and leasing of all types and brands of cars, vehicles and automobiles (both new and used) and their spare parts and accessories through both online and offline platforms, provision of vehicle service, repair and retrofitting work, and other ancillary or related services such as hire purchase, vehicle financing and motor insurance arrangements⁴; and
- (f) providing logistics and warehousing solutions and services, including but not limited to, warehousing, transportation, delivery and freight forwarding services,

collectively, the "**Existing Business**".

It is envisaged that the Proposed Diversification will change the existing risk profile of the Company as the Property Business and the Coffee Business are different from the Group's Existing Business. Accordingly, the EGM is being convened by the Company to seek Shareholders' approval for the Proposed Diversification into the Property Business and the Proposed Diversification into the Coffee Business.

³ As at the Latest Practicable Date, there were no ongoing activities undertaken by the Group under this segment.

⁴ As at the Latest Practicable Date, there were no ongoing activities undertaken by the Group under this segment.

LETTER TO SHAREHOLDERS

2.2 The Proposed Diversification

The Group proposes to, in addition to its Existing Business, venture into the business of (a) property development, property investment and property management as described in section 2.2.1 below (the “**Property Business**”); and (b) a fully vertically integrated coffee business by investing in coffee related business, including but not limited to cultivation, plantation, farming, and production of coffee and trading, branding and retailing of coffee and its ancillary products, as described in section 2.2.2 below (the “**Coffee Business**”, and together with the Property Business, the “**New Businesses**”).

Further details on the intended business operations under the New Businesses are set out below:

2.2.1 The Property Business: Property development, property investment and property management

The Group intends to diversify its Existing Business to include the following activities under the business of property development, property investment and property management, as and when appropriate opportunities arise:

- (a) property development activities including the acquisition, development and/or realisation of various types of real estate (such as residential, hospitality, commercial (retail and office), educational, healthcare, industrial and any other types of properties (the “**Property Related Assets**”)), constructing on undeveloped land plots, redeveloping existing buildings, and undertaking asset enhancement works to add value to the properties acquired for the purposes of increasing capital value and realising such increased capital value with the objective of achieving the sale of the Property Related Assets;
- (b) investing in or purchasing or otherwise acquiring or realisation of:
 - (i) any Property Related Assets; and/or
 - (ii) investments, shares and/or other interests in any entity that holds Property Related Assets and/or is in the business of property development, property investment and property management, including but not limited to holding of Property Related Assets as long-term investment for the collection of rent, capital growth potential and/or provision of property-related services and facilities; and
- (c) managing the Property Related Assets, including but not limited to the provision of property-related services and facilities, facilities management, landscape management and hospitality management (including the provision of hotel management services).

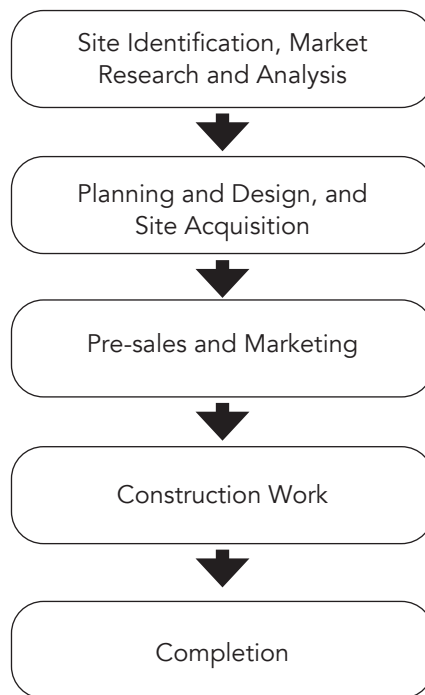
Specifically, the Group envisages that undertaking the Property Business will involve:

- (1) identifying viable and suitable opportunities for investment and sourcing for potential acquisition and development prospects;
- (2) investing in existing properties or in entities holding such properties, including, among others, acquisitions with a view of holding properties for long-term investment for the collection of rent, capital growth potential and/or provision of property-related services and facilities; and

LETTER TO SHAREHOLDERS

- (3) providing management services for Property Related Assets. In relation to the provision of management services, the Group anticipates that it may undertake the business of managing hotels where the Group will set up its business independently or enter into joint ventures or collaborations with third parties to provide the necessary hotel management services to local and/or international hotel owners.

In relation to (1) above, the below summarises the stages and elements of the identification and development process of a Property Related Asset:



- (i) Site Identification, Market Research and Analysis

The Group will regularly review development opportunities that may present themselves through its network of agents, pro-active scouting, and public tenders. Before acquiring or bidding for any land, the Group will carry out feasibility studies to evaluate the viability, profitability, and potential risk in the proposed development project. As part of the process, the Group will also actively consider the necessary approvals required from the relevant authorities, the amount of financing required as well as relevant macroeconomic factors. In order to spread the risks normally associated with bigger projects, the Group may work with joint venture partners. In such cases, the Group ensures that the joint venture arrangement will be aligned with the Group's interests in relation to its level of involvement, influence, required funding and the level of inherent risk.

LETTER TO SHAREHOLDERS

(ii) Planning and Design, and Site Acquisition

After the identification of a potential site through the Group's market research and analysis process, the Group will undertake preliminary planning and design reviews of the land. The Group's management will engage the advice of, where appropriate, a team of professional consultants, including architects, interior designers, registered surveyors, mechanical and electrical engineers, and civil and structural engineers. In selecting these firms, the Group considers their pricing, qualifications, reliability, quality of work, reputation, size and portfolio. These professional consultants will formulate the design of the site make-up, architecture and interior design, and specifications of the development such as the number of units to be built, floor area of the units and materials to be used. The development team will constantly monitor the progress and quality of the design teams to ensure they meet its required standards. These preliminary planning inputs assist the Group in validating the development concept and establishing an internally approved price range for the potential acquisition.

Once the preliminary planning and design reviews indicate that the proposed development is viable within the Group's commercial thresholds, the Group will proceed to bid for or make an offer to acquire the site within the predetermined price parameters.

Upon the successful acquisition of the site, the full suite of professional consultants will undertake detailed planning and design of the development, including finalising architectural plans, interior layouts, unit specifications, and material selections. In general, the Group will choose the design for a particular property development that most meets its conceptual requirements and which in its opinion would be the most marketable in the prevailing climate.

At this stage, the Group will also obtain all necessary regulatory approvals, permits and building plan clearances required for the construction and sale of the project.

The Group plans to manage all the property projects it initiates; detailed budgeting, costing and planning will be part of its project management brief.

(iii) Pre-sales and Marketing

The Group intends to market its completed development projects through multiple channels, including but not limited to appointed marketing agents and an in-house sales team where appropriate. In line with its marketing strategy, the Group may sell the property prior to the completion of construction. The Group may also conduct the sales and administer the collection of progress payments from the purchasers as part of its property management services.

Based on the approved design and building plan for the proposed development, showrooms will be built by professional contractors in preparation for the project launch. The Group's management will be responsible for formulating the marketing strategy for the project, while external consultants will be engaged to execute the necessary marketing and sales activities, including media advertising, design, production and distribution of promotional materials. Sales and marketing agents will be engaged to handle sales of the development through exhibitions at the Group's showrooms during project launches and through other channels.

LETTER TO SHAREHOLDERS

(iv) Construction Work

Prior to commencement of construction, a main contractor will be selected and appointed, based on factors such as its licensed qualifications, financial status, reliability, track record, ability to commit to the project timeline, and quality of workmanship and finishing. Main contractors will typically be selected through an invitation tender process. Once a main contractor is appointed, the construction work will commence. As far as possible, the Group will contract its construction work to experienced and qualified construction companies.

The Group's contractors will be subject to its internal quality control procedures, including examination of materials and supplies, on-site inspection and production of progress reports. The Group's management and project team will manage and supervise the progress of each construction stage of the project closely, with the assistance of architects and other professional consultants the Group engages, to ensure that building standards are met and the project will be completed within the set budget and scheduled timeline. Construction progress payments are then made following certification by a quantity surveyor based on the amount of work completed as per the construction contracts. In the event of delay in construction, damages payable by the contractor would be offset against payments due to them. For unsatisfactory quality of workmanship, the contractors are required to carry out the requisite rectification works.

(v) Completion

Once construction works are completed, an application will be submitted to the Building and Construction Authority for the Temporary Occupation Permit ("TOP") to be issued in respect of the development. Upon issuance of the TOP, the Group will arrange for purchasers to take possession of the individual units as soon as practicable. Sale and purchase would usually include a defects liability period, typically 12 months from the date the purchasers receive the notice of vacant possession in respect of the premises, during which the Group will be responsible for making good any defects within the Group's scope of work on the premises.

In relation to (3) above, the below summarises the aspects of the management services the Group will be able to provide for a Property Related Asset (including hotels):

(vi) Capital Works and Project Management

Overall coordination and control of renovation and upgrade projects, including managing consultants and contractors, controlling budgets and timelines, coordinating with property owners, and minimising disruption to operations of the property.

(vii) Capital Expenditure Planning and Execution

Management of major long-term investments in the property such as guestroom renovations, mechanical and electrical upgrades, roof replacement, elevators and façade works.

LETTER TO SHAREHOLDERS

(viii) Property Improvement Plans and Lifecycle Renovations

Planning and delivery of brand-mandated or asset-driven renovation programmes required to maintain brand standards, renew management agreements, or enhance competitiveness.

(ix) Medium- to Long-Term Capital Planning

Preparation and management of multi-year capital expenditure forecasts used for financing, investment analysis, valuation and asset management purposes.

(x) Emergency Capital Projects

Management of urgent, unplanned capital works required to address safety issues, regulatory compliance or operational shutdown risks.

(xi) Technical and Design Oversight Services

Design review, engineering and specification checks, compliance with building codes and brand standards, materials approval and site inspections (technical advisory and oversight, not construction).

(xii) Property Conversions and Repositioning Projects

Management of projects involving conversion of existing buildings or hotels into new brands, different market segments or hotel uses.

(xiii) New Property Development Support

Project coordination for ground-up property developments, including design management, construction coordination, brand technical services and pre-opening support.

2.2.2 The Coffee Business: Investing in coffee related business, including, but not limited to, cultivation, plantation, farming, and production of coffee and trading, branding and retailing of coffee and its ancillary products

The Group intends to diversify the Existing Business to include the business of being a fully vertically integrated coffee business which invests in various coffee related businesses in PRC and/ or in Singapore and where the opportunity arises, such other countries as the Shareholders may agree from time to time. The Coffee Business shall include but not be limited to, the cultivation, plantation, farming and production of green coffee, trading in coffee and its ancillary products, branding of coffee and its ancillary products, retailing of coffee and its ancillary products, and such other business as the Shareholders may agree from time to time. As part of the Coffee Business, the Group may also invest in or dispose of shares or interests in any entities engaged in the Coffee Business.

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In relation to the Coffee Business, a Lease Agreement has been entered into, and the salient terms of the Lease Agreement has been set out below:

Parties	<p>(1) 上江镇人民政府 (the local government of the Shangjiang town in the Lushui county of the PRC) (the "Lushui Government Authority");</p> <p>(2) 泸水农业农村投资开发有限公司 (Lushui Agriculture and Rural Investment Development Co., Ltd.) (the "Lushui Agriculture Development Co."); and</p> <p>(3) 上海邑文信息科技有限公司怒江分公司 (Nujiang Branch of Shanghai Yiwen Information Technology Co., Ltd.⁵), (the "Lessee")⁶.</p>
Term	<p>An initial term of 20 years from 12 June 2025.</p> <p>After the initial term, the Lessee has a right of first refusal to the continued lease and cooperation on similar terms under the Lease Agreement for an additional 20 years.</p>
Land	<p>Such area of farmland (to be determined amongst the parties to the Lease Agreement) which will used for the coffee plantation (the "Coffee Plantation") by the Lessee. The land for the Coffee Plantation will include the plantation land, the store, electricity, transport and water infrastructure.</p> <p>Subject to parties' discussion and agreement, the land area is expected to be between 2,600 <i>mu</i>⁷ to 5,000 <i>mu</i> (the "Final Land Area").</p>
Obligations	<p>The Lushui Government Authority will rent the land to the Company and will, together with Lushui Agriculture Development Co., undertake the initial preparation of the agricultural land, plant the initial coffee seeds, and construct the necessary infrastructure including roads, main irrigation pipelines, integrated water fertiliser equipment and networks, supporting power facilities, and management houses (the "Planting and Infrastructure Set-up"). All fees in relation to the Planting and Infrastructure Set-up shall be borne by the Lushui Government Authority (the "Government Facility Investment Amount").</p> <p>Upon completion of the Planting and Infrastructure Set-up and the handover⁸ by the Lushui Government Authority of the Coffee Plantation to the Lessee, the Lessee will assume control of the Coffee Plantation, undertake the management and operation of the Coffee Plantation and maintain the Coffee Plantation facilities.</p>

⁵ 上海邑文信息科技有限公司 (Shanghai Yiwen Information and Technology Co., Ltd.) is a wholly owned indirect subsidiary of the Company.

⁶ On 23 January 2026, 怒江瑰夏咖啡公司 (Nujiang Geisha Coffee Co., Ltd.) was replaced by 上海邑文信息科技有限公司怒江分公司 (Nujiang Branch of Shanghai Yiwen Information Technology Co., Ltd.) as the Lessee entity.

⁷ Unit area refers to "mu", which is approximately 666.67 square metres.

⁸ Barring any unforeseen circumstances or delay and subject to agreement amongst the parties, it is currently anticipated as at the Latest Practicable Date that the handover of the land will be by the second quarter of 2026.

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	<p>The Lessee is responsible for bearing the costs of land transfer and comprehensively responsible for the daily operation and management of the Coffee Plantation, including but not limited to coffee planting technical guidance, personnel training, pest control, labor, facility maintenance to improve coffee yield and quality management, as well as necessary marketing, financial management, human resources management, and supply chain management. The Lessee is also required to ensure the quality of the coffee products and report regularly on the project's progress.</p>
<p>Rental and fees</p>	<p>(1) Rental fee for the land, which is the rental fee calculated from the date the Lushui Government Authority obtains the land (such date agreed to not be earlier than January 1, 2024 but remains subject to agreement amongst the parties (the "Commencement Date") (the "Land Rental Fee"). The Land Rental Fee is payable in three (3) year instalments. For the avoidance of doubt, the Commencement Date pre-dates the term of the Lease Agreement as a requirement of the Lushui Government Authority.</p> <p>For the first five (5) years, the annual rental fees are RMB 500 per <i>mu</i> of general farmland and RMB 240 per <i>mu</i> for land under the "return-to-farmland" programme (payable by the Lushui Government Authority to the farmers), with a 10.0% increase every subsequent five (5) year period.⁹</p> <p>The Land Rental Fee payable will be determined based on the composition of the Final Land Area – i.e. the number of <i>mu</i> of general farmland (which will be at RMB 500 per <i>mu</i>) and the number of <i>mu</i> of land under the "return-to-farmland" programme (which will be at RMB 240 per <i>mu</i>).</p> <p>Under the Lease Agreement, the Land Rental Fee for the first three (3) years is to be paid upon the entry into the Lease Agreement (the "3-year Commitment Land Rental Fee").</p> <p>(2) Yearly facility rental fees (the "Facility Rental Fee") to be calculated in accordance with the Lease Agreement (a summary as set out below), with the first Facility Rental Fee payable within 30 days after handover by the Lushui Government Authority of the land to the Lessee.</p> <p>The Facility Rental Fee is based on the Government Facility Investment Amount, and multiplied by a variable rate starting at 0.5% (the "Facility Rental Fee Variable Rate"). The Facility Rental Fee Variable Rate is subject to adjustments but shall be no lower than 0.1% and no higher than 3.0%. Adjustments may be made downwards or upwards based on the local incentive policy which sets out various criteria to be achieved which will result in such adjustments. For example, the local incentive policy allows for (i) discounts (i.e. downward adjustments to the Facility Rental Fee Variable Rate) to be applied in the event of the coffee beans meeting certain standards of the Specialty Coffee Association, the Coffee</p>

⁹ General farmland refers to land that has been cleared and is ready for agricultural use, while land under the 'return-to-farmland' programme refers to land that is in the process of being reintegrated for farming purposes but has not yet been fully cleared or prepared for cultivation.

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	<p>Plantation meeting certain standards of the Lushui Government Authority and/or participation in local and/or international competitions for the coffee beans produced by the Coffee Plantation; and/or (ii) penalties (i.e. upward adjustments to the Facility Rental Fee Variable Rate) to be imposed in the event that Coffee Plantation does not meet certain requirements set by the Lushui Government Authority in relation to replanting, cultivated land area, etc. The adjustments to the Facility Rental Fee Variable Rate will be made on a yearly basis to determine the Facility Rental Fee payable for such year.</p> <p>(3) A farmer linkage benefit (the “Farmer Benefit Fee”), equivalent to 0.3% of the Government Facility Investment Amount, payable yearly from the sixth (6th) year of the Lease Agreement. The Farmer Benefit Fee is collected by the Lushui Government Authority for the benefit of the village farming cooperative for the use of the village land.</p> <p>In addition, the Lessee shall support Lushui City in consolidating poverty alleviation achievements and aligning them with rural revitalisation efforts, where the Lessee shall give priority to hiring the local population.</p>
<p>Termination</p>	<p>Under the Lease Agreement, if the Lushui Government Authority fails to handover the land or complete the infrastructure construction on time, the Lessee may terminate the Lease Agreement unilaterally if such delay exceeds 30 days.</p> <p>If the Lessee fails to pay the fees for the land on time, the Lushui Government Authority may require the Lessee to pay interest on overdue payments and terminate the Lease Agreement if such delay exceeds 30 days.</p> <p>Lastly, the Lessee is required to notify the Lushui Government Authority and Lushui Agriculture Development Co. 30 days in advance if it decides to cease its obligations under the Lease Agreement. While the Lease Agreement does not stipulate any penalties and/or costs for such termination, the Lessee is required to return the land with existing infrastructure to Lushui Agriculture Development Co. and will not be entitled to claim any compensation of any of its invested and/or paid amounts under the Lease Agreement up to the date of the termination.</p>

As at the date of the Lease Agreement, as the Final Land Area has not been determined, it was agreed amongst the parties on an arm’s length basis that an upfront commitment fee of RMB 5.2 million (equivalent to approximately S\$964,600) (the “**Upfront Commitment Fee**”) was to be paid by the Lessee in order for the Lushui Government Authority to commence the Planting and Infrastructure Set-up, where it would be responsible for the Government Facility Investment Amount. This Upfront Commitment Fee is paid in lieu of the 3-year Commitment Land Rental Fee.

Therefore, while the Lease Agreement documents the arrangements discussed and entered into by the parties thereto for the purposes of commencement of the project, the amount of the Land Rental Fee payable will only be computed based on the Final Land Area as agreed by the parties upon the completion of the Planting and Infrastructure Set-up and the handover of the land by the Lushui Government Authority to the Lessee. The Upfront Commitment Fee is expected to be used

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to set off the agreed payable Land Rental Fee, subject to discussions and agreement amongst the parties. The Company will update its Shareholders via an announcement in compliance with the relevant rules of the Listing Manual, in relation to the Final Land Area and provide an estimated breakdown of the total amounts payable under the Lease Agreement upon such terms being finalised on the handover. Please also refer to the paragraph below (*Capital Outlay*) for details on the Group's expected capital outlay in relation to the Coffee Business.

The Upfront Commitment Fee serves as a good faith deposit to demonstrate the Group's commitment to the project, which is supported and subsidised by the Lushui Government Authority through its payment of the Government Facility Investment Amount. The arrangement allows the project to proceed without the Group having to commit to the 3-year Commitment Land Rental Fee which would have been based on a land area that may ultimately differ from the Final Land Area leased by the Lessee. In the absence of an agreement on the Upfront Commitment Fee, the Lushui Government Authority would not commence the project. Accordingly, the Board is of the view that the Upfront Commitment Fee is necessary to secure the project, which the Group believes to be in the interests of Shareholders over the long term.

In the event that the parties are unable to agree on a viable development plan for the Coffee Plantation or the amendments to be made to the terms and conditions of the Lease Agreement, the Company will assess its available options, including the potential termination of the Lease Agreement, which would result in the forfeiture of the Upfront Commitment Fee.

For the avoidance of doubt, Lushui Agriculture Development Co. is owned by the local government and both Lushui Agriculture Development Co. and the Lushui Government Authority are unrelated third parties to the Group and its Directors and Substantial Shareholder.

Operation and Management of the Coffee Plantation

The Group expects to assume operational control and management of the Coffee Plantation in or around the second quarter of 2026 upon the completion of the Planting and Infrastructure Set-up, which is estimated to take around a year. The Group may, where appropriate, assume such operational control and management on a phased basis, taking into account the progress and performance of the Coffee Plantation's operations and other relevant commercial considerations.

Processing of the fresh coffee berries to extract the green coffee beans, and the roasting of green coffee beans, is expected to be done in-house at coffee berry processing and coffee roasting facilities to be acquired by the Group, which are intended to be situated close to the Coffee Plantation. As at the Latest Practicable Date, the Group has commenced negotiations with the Lushui Government Authority for the land to be acquired for the construction of the coffee berry processing facilities and anticipates that the Lushui Government Authority will grant special approval to the construction of such facilities and that further incentives will be provided by the Lushui Government Authority for such land.

The Group expects that the Coffee Plantation will take three (3) years to begin production of coffee berries and six (6) years to reach full production capacity. During the three (3) years before the Coffee Plantation begins production, the Group will focus on the purchase of green coffee beans from other coffee producers and/or traders in Central and South America, Africa and Southeast

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Asia and engage in small-batch trading activities. The Group believes that these activities will enable it to generate revenue from the Coffee Business, expand its network and establish business relationships within the coffee industry while the Coffee Plantation begins production. During this initial phase, the Group intends to concentrate on establishing its brand identity while creating products that simultaneously respond to market demands and strengthen product differentiation. To achieve these objectives, the Group intends to implement a marketing strategy encompassing both online and offline approaches.

The online approach will focus on forming strategic distribution partnerships, leveraging efficiencies enabled by the Group's vertically integrated supply chain, with plans to eventually establish a dedicated online operations team for brand development and direct sales. Concurrently, the offline marketing approach will leverage on the Group's robust existing network to establish exclusive coffee spaces for our brand at locations such as hotels and duty-free retail locations. This approach will allow the Group to refine its product offerings before expanding distribution through specialised coffee brands and brick-and-mortar retail coffee shops.

Once production begins, the Group intends to concentrate on the bulk trade of green coffee beans, focusing on business-to-business sales. The target end customers include national-level coffee trading distributors, other coffee roasting facilities, domestic and foreign coffee traders, chain brand coffee shops, and instant coffee processing plants. The Group aims to establish itself as a regionally influential bulk green bean trader in approximately five (5) years, with capabilities to meet international procurement demands and participate in global green bean price-setting.

Capital Outlay

As at the Latest Practicable Date, the Group intends to commit an expected capital outlay of approximately RMB 80 million in connection with the Proposed Diversification into the Coffee Business. The Group expects such capital outlay to be incurred progressively and allocated across the following categories, subject to adjustments depending on operational requirements, market conditions and the pace of implementation of the Coffee Business:

- (a) approximately RMB 5 million for non-land related and non-asset related costs and expenses over a period of five (5) years. These are expected to include, among others, office-related expenses, personnel and labour costs, management and administrative expenses, professional fees, utilities and other general operational overheads;
- (b) approximately RMB 35 million for investment in biological assets over a period of four (4) years. Such investment is expected to include, among others, the procurement of coffee seedlings or beans, fertilisers and pesticides, land preparation and rehabilitation costs, irrigation and plantation maintenance expenses, and land rental fees payable under the Lease Agreement, as well as other costs, fees and expenses directly related to the cultivation and development of the Coffee Plantation; and
- (c) approximately RMB 40 million for investment in fixed assets over a period of three (3) years. These are expected to include, among others, the establishment of coffee berries processing and roasting facilities, the acquisition of farm machinery and equipment, storage infrastructure and transport vehicles to support plantation operations and downstream activities.

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The actual timing and amount of expenditure in each category may vary, and the Group may reallocate its capital expenditure between the above categories or adjust the scope of such investments, depending on factors such as prevailing market conditions, operational needs, regulatory requirements and business considerations.

Following the above capital outlay, the Group expects the Coffee Business to generate revenue from its operations upon the commencement of harvesting and sales. Subject to operational performance and market conditions, the Group intends to utilise such revenue to fund the ongoing operating costs and capital requirements of the Coffee Business, with the objective of achieving operational sustainability over the medium to long term.

2.2.3 The Group's plans relating to the New Businesses

(a) In relation to the Property Business:

The Group intends to focus on Singapore market but has plans to expand the Property Business into the region. The Group's property development strategy will focus on boutique residential developments targeting buyers seeking private property developments at relatively lower price points. The Group currently intends to undertake approximately one (1) development project per year, depending on, among others, capital availability, the Group's ability to secure or invest in plots of land, prevailing market conditions and the availability of attractive opportunities. As at the date of this Circular, the Group has not identified or entered into any specific project or transaction in relation to the Property Business and will evaluate opportunities as and when they arise. The Group may pursue the Property Business activities either independently or in collaboration with third parties. Possible partnership structures by the Group may include but are not limited to:

- (i) partnerships with investors who provide capital as equity partners;
- (ii) arrangements with main contractors who undertake the construction and share in project profits;
- (iii) collaborations with landowners under which the Group undertakes the development and sale of the property and shares in the resulting profits; and
- (iv) providing capital as an equity investor in other third party developments.

Separately, the Group intends to enter into the business of managing hotels where the Group may set up its own hotel management company, or enter into joint ventures or collaborations with third parties to set up such hotel management company, with the view to provide the necessary hotel management services to local and/or international hotel owners.

In addition, Mr. Fan Bin who has more than 20 years of experience in real estate development and who assists Mr. Ding closely in the management and operations of the businesses of Mr. Ding (as set out below), will oversee the operations of the Property Business upon commencement, supported by the Group's existing management team and qualified professionals to be engaged by the Group.

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Mr. Ding, the Group's non-executive non-independent Director, also has extensive experience in property development and hotel ownership and operations, including his interest in a company listed on the Shanghai Stock Exchange and ownership of several hotel properties in the PRC. The Group expects to draw on his substantial industry track record to support the successful execution of the Property Business, including expertise in relation to hotel management operations.

For more information on the experience of Mr. Fan Bin, Mr. Ding and the Group's management personnel that will be overseeing the Property Business, please refer to section 2.4 (*Management of the New Businesses*) of this Circular.

The Board believes that the combined expertise of Mr. Fan Bin and Mr. Ding, together with the intended management team for the Property Business, will provide the Group with the necessary foundation to competitively enter and operate within such Property Business. In this context, the Group believes that its management capabilities and industry experience place it in a favourable position to capitalise on opportunities within the Property Business (both development and management), including those in Singapore.

(b) In relation to the Coffee Business:

The Group intends to focus on the Coffee Plantation in China as well as sourcing for green coffee beans from coffee producers and/or traders in Central and South America, Africa and Southeast Asia in the initial phase, and intends to focus on the geographical regions of China and Singapore for its initial trading activities. As at the date of this Circular, save for the Lease Agreement, no other contracts have been entered into in relation to the Coffee Business.

In addition, the Coffee Business will be jointly overseen by Mr. Fan Bin and Mr. Loh, the Financial Controller of the Company. Mr. Fan Bin has more than 10 years of experience managing business operations in China and hands-on involvement in hospitality and food-and-beverage related activities within the New Development Group, and Mr. Loh brings more than two (2) decades of finance and operational management experience, including his tenure as Chief Financial Officer of HLH Group Ltd, where he oversaw financial and capital matters of a listed agribusiness and property group. Mr. Ding will also be providing overall strategic oversight for the Coffee Business with his extensive experience in hotel development and operations in China and overseas, including exposure to food-and-beverage service standards, customer experience management and consumer-facing operational workflows. The Group believes that this combined expertise will support the effective execution and scaling of the Coffee Business. For more information on the experience of Mr. Fan Bin, Mr. Loh, Mr. Ding and the Group's management team that will be overseeing the Coffee Business, please refer to section 2.4 (*Management of the New Businesses*) of this Circular.

In addition, the Group believes that it will be able to leverage on its Existing Business, which includes restaurant operations, restaurant management services and restaurant franchise operations, to support and enhance the establishment and growth of the Coffee Business. For example, the coffee products, when produced from the Coffee Plantation, can be marketed and sold through such restaurant operations and/or franchise operations. Further,

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through the contacts of our Existing Business, we work with suppliers in trading businesses where there can be collaborative opportunities in relation to our coffee products.

Notwithstanding the above, the Group does not plan to restrict the conduct of the New Businesses to any specific geographical market as each investment will be evaluated and assessed by the Board on its merits. The Group may also explore joint ventures, partnerships, cooperation and/or strategic alliances with third parties who have the relevant expertise and resources to carry out the New Businesses as and when the opportunity arises.

The Group will conduct appropriate due diligence before commencing activities under the New Businesses in geographical regions in which the Group has not previously operated or with which the Group is unfamiliar, or in a manner with which the Group is unfamiliar. Such due diligence may include an assessment of, amongst others, demand forecasts, available supply chains, the feasibility of delivering services that meet both operational requirements and customers' expectations, historical market trends, regulatory factors and potential operational challenges in the relevant region(s), and will be carried out by the Group and/or such third party professionals as engaged by the Group from time to time. The decision on whether an investment should be undertaken by the Group on its own or in collaboration with third parties will be made by the Board after taking into consideration various factors, such as the results of its due diligence, the nature and scale of the respective business, amount of investment required and risks associated with such an investment, nature of expertise required and economic conditions, taking into account the opportunities available. Our Directors and key management personnel will also draw on their individual experiences in assessing whether the decision to carry out business activities in a particular geographical region or manner is feasible, aligned with the Company's long-term objectives, and in the best interests of its Shareholders.

Subject to Shareholders' approval for the Proposed Diversification into the Property Business and the Proposed Diversification into the Coffee Business at the EGM, should the Company pursue any of such business opportunities under the New Businesses, such business activities shall constitute part of the ordinary course of business of the Company (where it does not change the risk profile of the Company), and the Company will make the requisite announcements to update Shareholders in accordance with the requirements of the Listing Manual.

2.3 Rationale for the Proposed Diversification

(a) Additional and/or recurrent revenue streams, reducing reliance on Existing Business

The Group's existing business includes the operation of a bonded logistics hub in Tianjin, which has not met management's expectations in recent years. The performance of the logistics hub has been affected by external factors such as changes in local market conditions, a decline in rental prices in office rental rates in the area where the logistics hub is located, lower leasing demand from the manufacturing industry (which used to form the main tenants in the Tianjin Binhai New area), China's shift towards electric vehicles, and the ongoing trade tensions between China and the United States of America. These factors have contributed to the lower-than-projected occupancy and utilisation rates, which in turn have affected the project's financial performance. In addition, the Group's food and beverage operations have also contracted over time and currently comprise two (2) restaurants. In light of the limited scale and growth potential of the Existing Business, the Board

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has assessed that the Group's current operations alone may not be sufficient to sustain long-term growth or shareholder value.

Accordingly, the Board has identified the Property Business and Coffee Business as potential new business segments that may provide the Group with new avenues for growth and diversification of income sources. The Group believes that if successfully executed, the New Businesses could provide additional and/or recurrent revenue streams for the Group and reduce the Group's reliance on the Existing Business for its revenue streams. In relation to the Property Business this may include capital gains from realisation of Property Related Assets, rental fees and management fees from the Property Business. In relation to the Coffee Business, this is expected to provide additional and/or recurrent revenue streams for the Group which may include, among others, trading sales revenue from the coffee harvest and/or the trading of coffee and its ancillary products, and sales revenue from the retailing of coffee and its ancillary products. While the Existing Business continues to provide us with a stable revenue stream, the New Businesses will provide the Group with a more diversified revenue base to drive and maintain future growth. The Group will venture into the New Businesses prudently, with a view of achieving long-term growth and sustained performance.

(b) Capitalising on the possible growth prospects in the New Businesses

The Directors believe that the Proposed Diversification into the New Businesses will enable the Group to be better positioned to capitalise on the possible growth prospects in the New Businesses. In particular:

- (i) in relation to the Property Business, although the Singapore property sector is highly competitive, the Group believes that Singapore's real estate environment is supported by limited land supply and a high gross domestic product per capita. In addition, the Group believes that the continued upward trend in Housing Development Board resale flat prices¹⁰ has narrowed the price gap between public and private housing, contributing to sustained demand for private residential properties; and
- (ii) in relation to the Coffee Business, the Group believes that the coffee industry has significant growth potential particularly in China. According to statistics from Kunming Customs, Yunnan exported a total of 32,500 tonnes of coffee in 2024, a year-on-year increase of 358%, mainly to 29 countries and regions including the Netherlands, Germany, the United States, and Vietnam. The surge in coffee exports is driven by the demand for supply chain diversification from international buyers, especially during the period when the price of Arabica coffee beans rose sharply last year. According to iiMedia Consulting data, the market size of China's coffee industry has reached 623.5 billion yuan in 2023, and is expected to exceed the trillion yuan mark in 2025 and climb to 1.39 trillion yuan by 2029.¹¹

¹⁰ Based on the Resale Price Index available at <https://www.hdb.gov.sg/residential/selling-a-flat/overview/resale-statistics>. The Housing Development Board has not provided its consent to the inclusion of the information cited and attributed to it in this Circular and therefore is not liable for such information. While the Group has taken reasonable actions to ensure that such information has been reproduced in its proper form and context and has been extracted accurately and fairly from a source that is reliable, the Group has not conducted an independent review of such information or verified the accuracy of the contents of such information.

¹¹ Based on the news article reported on by 央广网 (China National Radio), available at http://food.cnr.cn/jdt/20250330/t20250330_527118187.shtml. China National Radio has not provided its consent to the inclusion of the information cited and attributed to it in this Circular and therefore is not liable for such information. While the Group has taken reasonable actions to ensure that such information has been reproduced in its proper form and context and has been extracted accurately and fairly from a source that is reliable, the Group has not conducted an independent review of such information or verified the accuracy of the contents of such information.

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Capitalising on such opportunities may enhance the performance of the Group, and thereby strengthen the Group's turnover and profit and enhance shareholder value and return. Subject to the obtaining of Shareholders' approval for the Proposed Diversification, the Group may conduct appropriate studies to assess where there are growth opportunities to undertake projects or investments in the New Businesses.

(c) Enhance Shareholders' value

The Proposed Diversification is part of the corporate strategy of the Group to provide Shareholders with diversified returns and long-term growth. It may provide the Group with additional funds, which can be channelled towards the enhancement of Shareholders' value over the long term. Additionally, the Board believes that the Proposed Diversification can offer new business opportunities, provide the Group with new revenue streams and improve its prospects, so as to enhance Shareholders' value for the Company.

(d) The Proposed Diversification will give the Group flexibility to enter into transactions relating to the New Businesses in the ordinary course of business

Subject to the Shareholders' approval of the Proposed Diversification, any acquisition or disposal which is in, or in connection with, the New Businesses, may be deemed to be in the Company's ordinary course of business and therefore not fall under the definition of a "transaction" under Chapter 10 of the Listing Manual. Accordingly, the Company may, in its ordinary course of business, enter into transactions relating to the New Businesses and which will not change the risk profile of the Company, in an efficient and timely manner without the need to convene separate general meetings from time to time to seek Shareholders' approval as and when potential transactions relating to the New Businesses arise. This will reduce substantially the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

For the avoidance of doubt, pursuant to Practice Note 10.1 of the Listing Manual, an acquisition can be regarded to be in, or in connection with, the ordinary course of an issuer's business if (a) the asset to be acquired is part of the issuer's existing principal business; and (b) the acquisition does not change the issuer's risk profile. Further guidelines are provided under Practice Note 10.1 of the Listing Manual on what consists of "existing principal business" and "change of risk profile", including paragraph 2.4 of Practice Note 10.1, where an asset is part of the issuer's existing principal business if the acquisition of the asset is required to be reported under the applicable accounting standards within a specific reportable operating segment (excluding any miscellaneous "any other segment" category) that (a) contributes more than 20% of the issuer's net profits or total assets; and (b) has been reported in the issuer's latest audited financial statements. Accordingly, an acquisition that does not meet such criteria will not be regarded as within the existing principal business and the transaction will not be the ordinary course of business.

2.4 Management of the New Businesses

The Board and senior management of the Company comprise individuals with varied qualifications and experience who will provide the strategic vision and policy for the New Businesses.

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(a) With reference to the Property Business:

It is currently envisaged that the Group's participation in projects under the Property Business will be overseen by the Executive Chairman, Mr. Fan Bin, who has more than 20 years of experience in real estate development, and has firsthand experience managing the execution of individual projects, including coordination of contractors, budget oversight and project scheduling. He will be supported by the Group's existing management team, and where required, the Group will seek the advice of or engage suitably qualified personnel, external consultants, external industry experts and professionals such as architects, interior designers, registered surveyors, mechanical and electrical engineers, contractors, and civil and structural engineers, to support the Property Business. Depending on the scale of the Property Business, the Group also intends to hire certain qualified personnel, such as a quantity surveyor and a project manager, each with credentials and prior experience relevant to the Property Business, to strengthen its project management capabilities. Sales and marketing functions will, where appropriate, be outsourced to external sales agencies or property agents.

While not part of the Company's management team, Mr. Ding will provide overall strategic oversight for the Group's Property Business initiatives. He has extensive experience in property development and hotel ownership and development in China and overseas through his investments (including his interest in a public company listed on the Shanghai Stock Exchange, Vohringer Home Technology (菲林格尔), and his ownership of various hotel properties in the PRC including Courtyard by Marriott Shanghai Fengxian, The JW Marriott Hotel Shanghai Changfeng Park and Fairfield by Marriott Shanghai JingAn), and has established a broad network of suppliers, contractors and industry partners, providing the Group with access to high-quality building materials and reliable construction resources directly from China. The Group will be able to leverage on these and draw on Mr Ding's substantial track record in the Property Business. The New Development Group also has an in-house design team in China with capabilities in architectural planning, interior design and finishing works, which the Group may, where appropriate, choose to leverage to preserve design quality control, ensure project consistency, accelerate turnaround times and align its developments with prevailing market preferences.

While the Group recognises that the Property Business is different from its Existing Business and the Company does not have existing experience specifically in the Property Business, it is of the view with the combined strategic insight, operational expertise and design capabilities of Mr. Ding, Mr. Fan Bin and the Group's internal team, the requisite competencies for the Property Business can be effectively developed and enhanced over time as the Group progresses in the Property Business. As the Group itself does not otherwise have prior experience or track record in the Property Business, the Group intends to engage third party contractors to construct the industrial properties. In selecting third party contractors, the Company will take into account the specific expertise and competencies required, and the experience, historical track record and financial standing of the party concerned.

(b) With reference to the Coffee Business:

It is currently envisaged that Mr. Fan Bin and Mr. Loh, the Financial Controller of the Company, will be in charge of overseeing the entire operations of the Coffee Business.

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Mr. Fan Bin has more than 10 years of experience in managing business operations in China, and has hands-on experience in hospitality and food and beverage-related activities within New Development Group, including outlet operations, menu planning, cost control and service workflow management. He currently serves as the Vice President of New Development Group where he is responsible for the business, operational and financial oversight of business segments such as food and beverage operations, farm plantation management and operations (which is applicable for the operation of the Coffee Plantation), and spring water supply chain (which comprises the sourcing, treatment and bottling of naturally occurring groundwater, as well as its distribution through established networks to retailers and end-consumers. This distribution infrastructure can be leveraged by the Coffee Business). Such experiences have been obtained through Mr. Ding's multiple business ventures.

Mr. Loh has more than two (2) decades of experience having held various finance management roles since 1997, as well as accountant roles before that. Prior to joining the Group, he was the Chief Financial Officer of the HLH Group Ltd, a listed company that focuses on real estate and agricultural development, where he successfully managed all financial and capital aspects.

Mr. Fan Bin and Mr. Loh (who is qualified under the Specialty Coffee Association (SCA) as a coffee brewer) will be supported by the Group's existing management team and newly hired qualified professionals with relevant experience in the coffee industry. These professionals are permanent employees of the Group¹² and include, among others, a Specialty Coffee Association (SCA)-qualified and Coffee Quality Institute ("CQI")-certified coffee quality control manager with experience in developing coffee products, an SCA-qualified and CQI-certified business development manager, a coffee trading manager and a farm manager. These personnel are currently engaged in discussions with the local government, conducting coffee-related testing and quality assessments, and actively participating in the development of the Coffee Plantation. Their ongoing responsibilities include advising the Group on the technical aspects of coffee cultivation, designing the layout of the coffee farm to optimise yield, liaising with government agronomic experts, and coordinating matters necessary to commence large-scale coffee cultivation. The farm manager is presently collaborating with Lushui Government Authority to oversee the Planting and Infrastructure Set-up to specifications which the Group requires and will undertake on-ground operations such as managing the Coffee Plantation and establishing relationships with local farmers in due course upon the handover by the Lushui Government Authority. The management of the farm includes routine cultivation and maintenance activities such as pruning, weed control, application of fertilisers, monitoring of utilities, patrolling the plantation grounds, and harvesting coffee berries when mature, as and when required. The size of this team will expand in tandem with the growth and scale of the Coffee Business.

While not part of the Company's management team, Mr. Ding will provide overall strategic oversight for the Group's Coffee Business. He has extensive experience in hotel development and operations in China and overseas, including projects in Shanghai and Auckland involving internationally recognised hotel brands. Through these hospitality ventures, he has gained exposure to food and beverage service standards, customer experience management and the operational requirements of consumer-facing businesses. Both Mr. Ding and Mr. Fan Bin have also been involved in beverage-

¹² The employing entity is 上海邑文信息科技有限公司 (Shanghai Yiwen Information and Technology Co., Ltd.), a wholly owned indirect subsidiary of the Company.

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related production, including spring water supply chain, giving them practical knowledge in product sourcing, quality control, production processes, hygiene standards and distribution management, all of which are transferable to coffee sourcing, roasting and product quality assurance.

The Board will monitor developments and progress in the New Businesses and take the necessary steps to identify suitable executive, operations and management candidates both from within the Group as well as externally, to support and manage the New Businesses as and when required. When necessary, the Board will consider hiring additional staff or appoint in-house or external consultants and professional advisers as and when required in connection with the New Businesses. In selecting future staff and business partners, the Group will take into account the specific expertise and competencies required for the relevant project or transaction and the experience, historical track record and financial standing of the persons or entities concerned. Consequently, the Group will diligently monitor the progress of and its performance in the New Businesses, to appropriately address any manpower and expertise needs. In making decisions in relation to the New Businesses, the management will, where necessary and appropriate, seek the advice of qualified industry experts.

The Company will also tap the expertise of the Directors' network of business partners, advisers, and consultants engaged in property development, investment and management that the Group can connect with and seek advice from to ensure that the plans for the New Businesses can be effectively implemented to generate growth and profitability to optimise Shareholders' return on investment.

As at the Latest Practicable Date, to the best of Audit and Risk Committee and Board's knowledge and belief, there are presently no connections, business relations, transactions or opportunities that any Directors, executive officers or Controlling Shareholders are directly or indirectly interested in that would place them in a conflict of interest with the Group. The Audit and Risk Committee will review all future projects undertaken by the Group under the New Businesses to safeguard against potential conflicts of interests.

In relation to the Property Business, the Audit and Risk Committee and the Board are aware of Mr. Fan Bin and Mr. Ding's existing participation in property-related business ventures. Despite this, the Audit and Risk Committee and the Board are of the view that these business ventures do not place them in a conflict of interest with the Group as these business ventures are concentrated in China, a market in which the Group does not intend to operate the Property Business. In any event, the Audit and Risk Committee will maintain oversight regarding any potential conflicts of interest in relation to any proposed transactions in connection with the Property Business and Mr. Fan Bin and Mr. Ding's existing business ventures.

If deemed necessary by the Audit and Risk Committee, the Company will procure non-compete undertakings from each of Mr. Fan Bin and Mr. Ding, pursuant to which he shall, among others, (i) refrain from using any information received from the Group for his personal gain, benefit or interests; (ii) not compete, whether directly or indirectly, with the Group in relation to the New Businesses in the countries that the Group has identified and intends to focus on, save for any project, transaction or opportunity which (A) the Company has confirmed in writing that it does not intend to pursue, including on the basis that the size, scale or capital requirements of such project, transaction or opportunity exceed the Group's operational or financial capacity; or (B) the Group is unable to commence, participate in or otherwise pursue within a reasonable period of time to be determined by the Board; and (iii) grant the Group a right of first refusal to projects, transactions and opportunities relating to the New Businesses in the countries that the Group has identified and intends to focus on.

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2.5 Risk Management Measures and Safeguards

The Directors recognise the importance of internal controls and risk management for the smooth running of the New Businesses. The external and internal risks presented by the New Businesses to the Group will be managed under the existing system of internal controls and risk management of the Group, which will determine the nature and extent of risks which the Directors may take in achieving the strategic objectives of the Group.

While the Board retains overall responsibility for the governance, strategic direction and oversight of the New Businesses, it will oversee the establishment and maintenance of appropriate compliance frameworks to ensure adherence to applicable laws and regulations. The Board will review and approve key policies relating to risk management, regulatory compliance and internal controls in connection with the New Businesses. The Audit and Risk Committee will assist the Board by providing independent oversight of the adequacy and effectiveness of the Group's internal control and risk management systems in relation to the New Businesses. This includes reviewing the implementation of compliance measures, monitoring identified risks and considering internal audit findings or compliance reports where applicable.

At the management level, the Board has delegated day-to-day responsibility for overseeing compliance and risk management in respect of the New Businesses to Mr. Fan Bin. Mr. Fan Bin will supervise and be accountable for ensuring that appropriate operational controls, compliance procedures and risk mitigation measures are implemented and maintained. Mr. Loh will be responsible for overseeing the implementation and monitoring of internal controls and risk management processes and procedures at the operational level for the New Businesses. He will review the adequacy and effectiveness of such controls on an ongoing basis and will report directly to Mr. Fan Bin in relation to these matters.

In managing the Group's external and internal risks resulting from the Proposed Diversification, the Group will also adhere to its operating and compliance procedures and may from time to time implement further internal controls as described below. As part of the Group's system of internal controls and risk management, the following will be undertaken to manage the risks arising from the New Businesses:

- (a) With reference to the Property Business, it is intended for the Group to implement organisation-wide controls including (i) establishing well-defined risk appetite and tolerance policies which are based on strategic and business objectives; (ii) conducting feasibility studies to evaluate the viability, profitability, and potential risks in the proposed development project. As part of the process, the Group will also actively consider the necessary approvals required from the relevant authorities, the amount of financing required as well as relevant macroeconomic factors; (iii) legal and compliance safeguards. These include ensuring clean title of the property before purchase, lodging of caveats to protect the Group's interest in the land, conducting periodic audits of land covenants, easements or encumbrances, and ensuring that the Group has adequate insurance coverage in relation to any project; (iv) ensuring a transparent selection of qualified and reputable professional parties such as consultants, contractors and suppliers through a tender process; (v) implementing financial safeguards, such as, allocating and maintaining a portion of total development costs as a contingency reserve, monitoring cash flows by tracking monthly burn rate and conducting cost-to-complete analyses; (vi) actively engaging with regulatory bodies and professional firms to receive early feedback and to stay informed on updates to laws and regulations; and (vii) developing clear exit strategies, including benchmarking pricing strategies, monitoring policy and regulatory changes, undertaking demand elasticity analysis, and phased sales or strata sales. Multiple

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marketing channels, including external agents and an in-house sales team, may be used, and sales may commence prior to completion of construction where appropriate.

- (b) With reference to the Coffee Business, it is intended for the Group to implement organisation-wide controls including (i) crisis management and business continuity plans to enable effective recovery from a major operational or supply chain disruption; (ii) inventory management processes such as the maintenance of appropriate safety stock levels; and (iii) stringent controls across its supply chain including due diligence and audits of suppliers supported by rigorous quality checking of all high-risk ingredients.
- (c) In general and in addition to the above, the Audit and Risk Committee of the Company and the Board will:
 - (i) review, with the management, as well as the external and internal auditors where appropriate, and approve the key compliance policies and risk management procedures of the New Businesses and assess the adequacy and effectiveness of the Group's internal control procedures addressing financial, operational, compliance, IT and risk management systems relating to the New Businesses;
 - (ii) oversee management's evaluation, prior to the New Businesses undertaking any new business ventures or entering into collaborations, of the feasibility and cost considerations of utilising in-house capabilities as compared to engaging third parties, including an assessment of the track record and suitability of such third parties and other relevant risk factors;
 - (iii) oversee the Company's policies in respect of financial risk management, including the use of foreign exchange derivative contracts to hedge against material foreign exchange exposures; and
 - (iv) commission, where necessary, and review the findings of internal investigations into matters where there is any suspected fraud, irregularity, failure of internal controls, or infringement of any law, rule or regulation, which has or is likely to have a material impact on the Group's operating results and/or financial position.

Mr. Fan Bin and Mr. Loh will regularly report to the Board on key issues, findings, and recommendations. The Audit and Risk Committee will also evaluate the nature and extent of significant risks which the Group may undertake in achieving its strategic objectives, and guide management in the formulation and implementation of the risk management framework, policies and processes. This ensures that material risks are effectively identified, assessed, mitigated, and monitored.

In addition, before undertaking any major project in the New Businesses, and where relevant, the management of the Company may prepare a feasibility study containing financial forecasts, analyses, market studies, the backgrounds of any main contractors, suppliers or potential partners, its assessment of the growth potential, funding needs and projected returns of the project concerned, and its assessment of the suitability of the Group's investment in such project based on the proposed nature and extent of the investment. Thereafter, the management will present the proposal to the Board. The Board will discuss, deliberate, understand and decide on the nature and extent of the Group's involvement and investment in such project before any decisions are finalised. The Board will continue to monitor the New Businesses on an ongoing basis, including by reviewing and assessing the merits of projects and investments therein periodically.

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Notwithstanding the above, due to human error or judgment, there is no assurance that these frameworks and systems will be strictly complied with at all times. There may also be inherent limitations in the system which may not prevent or detect all misstatements or instances of fraud in a timely manner, and any changes in conditions or operations of the New Businesses may cause the system's effectiveness to vary from time to time. In addition, the Group relies on the self-assessment, review and reporting processes of the respective subsidiaries to ensure that the transactions are carried out in compliance with the accounting standards and Group accounting policies and that the Group's internal controls are adequate. The Company also has an outsourced internal audit function which reports directly to the chairman of the Audit and Risk Committee. To arrive at a target approach to addressing risks and assessing controls for the New Businesses, the Company will work with its internal auditors, Messrs Mazars LLP, or such other internal auditors appointed from time to time, to refine the scope of the internal audit to cover the New Businesses.

2.6 Funding of the New Businesses

The Proposed Diversification will be funded primarily through internal funds and/or borrowings from financial institutions.

The internal funds include, but are not limited to:

- (a) the net proceeds from the sale of shares in Lingbao Gold Group Co Ltd (the "**Lingbao Proceeds**"); and
- (b) if necessary, the potential drawdown of a S\$10 million loan granted by New Development Hotel to the Company in August 2024 (the "**New Development Hotel Loan**"), of which S\$6 million had been earmarked specifically for potential investment into new businesses. As at the Latest Practicable Date, the S\$6 million allocation remains unutilised and available for drawdown if and when required for the New Businesses.

As and when necessary and deemed appropriate, the Company may explore secondary fund-raising exercises by tapping the capital markets including but not limited to rights issues, share placements and/or issuance of debt instruments.

As background¹³, the New Development Hotel Loan has a simple interest rate of five per cent. (5.0%) per annum on the outstanding principal amount of such loan and has a tenure of eight (8) years from 19 September 2024. The outstanding principal amount of the New Development Hotel Loan is repayable upon the expiration of the tenure and the interest shall be accrued and payable on the earlier of (a) the date on which all outstanding principal amount of the New Development Hotel Loan is fully repaid and/or prepaid; or (b) the date of expiry of the tenure of the New Development Hotel Loan.

The Company will remain prudent and will determine the optimal mix of internal funding, external borrowings which may involve the mortgaging of the land to be developed for the Property Business, and equity financing from time to time, taking into account the Group's cash flow and prevailing bank financing costs, amongst other factors.

¹³ For further information on the New Development Hotel Loan, please refer to the circular dated 22 July 2024 as issued by the Company.

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Further, the Company has undertaken a detailed financial and commercial assessment of the expected rate of return to be generated from the Coffee Business as described in this Circular, having regard to, among others, prevailing market conditions, the anticipated operating costs, capital expenditure requirements, projected revenue streams, applicable taxation, financing structure and the Group's expected cost of capital, based on information currently available to the Group.

Mr. Loh will be responsible for overseeing and monitoring the performance and returns of the Coffee Business against such projections on an ongoing basis, in accordance with the Group's internal control policies and procedures and as part of its enterprise risk management framework, including the identification, assessment and mitigation of material operational, financial and market risks.

For further background, the following sets out key financial segmental figures of the Group based on the audited financial figures of the Group for FY2025:

S\$'000	Food and beverages	Properties	All other segments	Eliminations	Total
Revenue					
- Sales to external parties	14,302	2,020	-	-	16,322
- Inter-segment sales	-	787	1,419	(2,206)	-
Expenses					
- Raw materials and changes in inventories	(4,227)	-	-	-	(4,227)
- Employee compensation	(4,998)	(188)	(223)	-	(5,409)
- Finance expenses	(54)	(4,266)	(1)	1,978	(2,343)
Segment Profit/(Loss)	471	(28,130)	1,473	-	(26,186)
Segment assets	12,241	73,302	17,235	-	102,778
Segment liabilities	2,790	50,369	5,121	-	58,280
Current assets	12,342	1,497	7,261	-	21,100
Current liabilities	2,134	6,476	4,641	-	13,251
Working capital	10,208	(4,979)	2,620	-	7,849
Cash and cash equivalents	3,544	736	10,606	-	14,886
Borrowings (Current)	629	5,917	-	-	6,546
Borrowings (Non-current)	544	39,076	-	-	39,620

2.7 Risk Factors

To the best of the Directors' knowledge and belief, all risk factors which are material in making an informed decision in relation to the Proposed Diversification have been set out below. Shareholders should carefully consider and evaluate the risk factors set out herein and all other information contained in this Circular.

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Any of the risks described below could have a material adverse effect on the Company's or the Group's results of operations, financial condition and prospects. In that event, the market price of the Shares may decline, and Shareholders may lose all or part of their investments in the Shares.

The risks declared below are not intended to be exhaustive. New risk factors may emerge from time to time, and it is not possible for the management to predict all risk factors, nor can the Company assess the impact of all factors on the New Businesses or the extent to which any factor or combination of factors may affect the proposed New Businesses.

Shareholders should evaluate carefully the following considerations and the other information in this Circular before deciding on how to cast their votes at the EGM. The risks set out below are the material risks which the Group may face following the Proposed Diversification. If any of the following considerations, risks or uncertainties develop into actual events, the business, financial condition, results of operations, cash flow and prospects of the Group may be materially and adversely affected.

Shareholders should consider the risk factors in light of their own investment objectives and financial circumstances and should seek professional advice from their accountants, stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

There may be also other risks associated with the entry into the proposed property development, property investment and property management businesses which are not presently known to the Group, or that the Company may currently deem immaterial and as such, have not been included in the discussion below.

2.7.1 Risks relating to the Property Business

(a) The performance of the Property Business will be subject to macro-economic risks

The Property Business may be affected by many factors beyond the Group's control. The fluctuating, volatile, and uncertain nature of any of the following factors (several of which are further elaborated on below) that affect the economy or property market, whether globally or in any country in which the Group operates in, may adversely affect the business and test the Group's resilience to confront them:

- (i) economic, political, and social conditions;
- (ii) natural disasters, terrorism, and war;
- (iii) disease outbreaks and pandemics (e.g. COVID-19);
- (iv) legal and regulatory changes;
- (v) liquidity and risk aversion;
- (vi) equity, debt, property, commodity, and other financial markets;
- (vii) interest rates and foreign currency exchange rates;
- (viii) inflation and consumer demand; and
- (ix) investor confidence levels.

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The Property Business is susceptible to the vagaries of the global financial markets. In the event of a global financial slowdown, crisis or global pandemic, apart from potential lower sales, the customers of the Property Business may also not be able to obtain adequate access to credit, which could affect their ability to make timely payments, which causes the Group's accounts receivable and bad debts to potentially increase. In addition, the business, results of operations and financial condition of the Property Business may be materially and adversely affected if key suppliers on which the Property Business relies are unable to provide the materials needed on a timely basis or on terms that the Group finds acceptable. A global economic downturn could adversely affect the Group's ability to obtain short-term and long-term financing. It could also result in an increase in the cost of the Group's bank borrowings and affect the Group's ability to borrow. The inability to access capital efficiently, on time, or at all, as a result of possible economic difficulties may materially and adversely affect the business, results of operations, financial condition and prospects of the Property Business.

The Property Business will face risks in relation to interest rate movements in particular as a result of the debts intended to be undertaken to finance the Property Business. Changes in interest rates will affect the Group's interest income and interest expense from short-term deposits and other interest-bearing financial assets and liabilities. This could in turn have a material and adverse effect on the Group's net profits.

(b) The Property Business may face intense competition from existing competitors and new market entrants

The Property Business is highly competitive, with strong competition from established industry participants who may have larger financial resources, command greater market share and/or stronger track records. There is no assurance that the Group will be able to provide comparable services and/or lower prices to compete effectively or respond more quickly to market trends than potential or existing competitors. If this is the case, the Group's business, results of operations, financial condition and prospects may be materially and adversely affected.

The Group may need to differentiate itself by, among other things, developing a strong reputation of offering more competitive pricing to compete effectively, including offering units at a more attractive price per square foot where appropriate to support faster sales momentum, adopting more innovative property designs and more creative marketing strategies, and/or being a high-quality property developer that places emphasis on quality. The prospects, financial condition and results of operations of the Property Business may be adversely affected if the Group fails to compete effectively, if property prices decrease significantly, or if the Group is forced to undertake fewer property development projects or projects with less desirable margins.

(c) The Property Business may not be able to generate adequate returns on its properties held for long-term investment purposes

Property investment is subject to varying degrees of risks. The investment returns available from real estate investments depend primarily on the amount of capital appreciation generated and

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income earned from the rental of the relevant properties and expenses incurred. The revenue derived from the disposal of such investment properties will depend on market conditions and levels of liquidity, which may be subject to significant fluctuations and therefore test the holding power of the Group.

The revenue derived from the rental of the relevant properties may be adversely affected by a number of factors, including but not limited to changes in market rates for comparable rentals, the inability to secure renewal of tenancies from tenants, the inability to collect rent due to bankruptcy or insolvency of tenants and the cost from ongoing maintenance, repair and re-letting. In the event that the Group acquires properties for investment and if the Group is unable to generate adequate returns for such investment properties that it acquires, the Group's business, results of operations, financial condition and prospects may be materially and adversely affected.

Further, invested properties are relatively illiquid, and the Group may be unable to convert its real estate asset portfolio into cash on short notice. To facilitate a sale of illiquid property assets on short notice, the Group may have to lower the selling price substantially. Illiquidity of property assets also limits the Group's ability to vary its portfolio in response to changes in economic or other conditions in a timely manner. In the event of any adverse change in market conditions or in the event of a need to lower the prices of properties to effect the sale of properties, the Group may not be able to sell its property projects or property investments at above its costs, resulting in the Group suffering losses on the project or property and materially and adversely affecting the Group's business, results of operations, financial condition and prospects.

- (d) The operations of the Property Business may face potential liability and claims from property development projects (if any) and may be involved in legal and other proceedings arising from such operations from time to time

The time required to complete a property development project depends on various factors, including the size of the project, prevailing market conditions and availability of resources. Delays may arise due to various factors, including adverse weather conditions, natural calamities, power failure, machinery and equipment breakdown, shortage of construction materials, shortage of labour, accidents, cessation of business of the Group's contractors, disputes with contractors, quality and execution issues, and unexpected delays, such as delays in obtaining required approvals. Such delays may result in cost overruns and increased financing costs and accordingly affect the Group's profitability or lead to claims for liquidated damages from purchasers of the properties.

Accidents during the course of construction may give rise to personal injuries and third party liability. If accidents occur but are not covered by the Group's insurance policies, or if claims arising from such accidents are in excess of its insurance coverage and/or any of its insurance claims are contested by its insurers, the Group will be required to pay compensation, and its financial performance may be adversely affected. Such accidents could also have an adverse impact on the Group's operations if the Group is required by regulatory manpower

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authorities to suspend its operations for a period of time. This may result in fines or delays in project completion and possibly, cost overruns or liquidated damages, which will in turn affect the Group's profitability. Such accidents could damage the Group's reputation and may, as a result, lead to a loss of business.

In addition, the Group may be involved from time to time in disputes with various parties involved in the property development, investment or management projects that the Group undertakes. These parties include contractors, sub-contractors, suppliers, construction companies, purchasers, tenants and other partners.

Claims may also be made against the Group by the owners or occupiers of neighbouring properties in respect of the use and enjoyment of such properties. These disputes may lead to legal and other proceedings. The Group may also have disagreements with regulatory bodies in the jurisdictions in which the Group operates, and these may subject the Group to administrative proceedings. In the event that unfavourable decrees are determined by the courts or the regulatory bodies, the Group may suffer not only financial losses but also a delay in the construction or completion of its projects. In such an event, the Group may be liable for damages and incur legal costs, which will have a material and adverse effect on the Group's business, results of operations, financial condition and prospects.

- (e) There may be difficulties in implementing and integrating the Property Business and significant time and resources may be required to be devoted to the Property Business

There can be no assurance that the Group will be successful in implementing and integrating the Property Business. Delays in implementation and/or integration of the Property Business into the Group may divert the attention and resources of the Group's management or delay the commencement of or prevent revenue growth in any of the businesses, which may materially and adversely affect the results of operations or financial position of the Group. As the Group may be required to devote significant time and resources to the Property Business, including but not limited to overseeing any property development, investment or management project or the operations, financial position, compliance with laws, management, and other issues of a subsidiary or associated company involved in the Property Business, and/or providing financial support for any property development, investment or management projects, or for liquidity requirements or financial obligations of a subsidiary or associated company involved in the Property Business, the resources available for, and the Group's management's time and focus on, the Existing Business, may be stretched or reduced, which may have a negative impact on the Existing Business.

In addition to the existing management team, the Group may recruit appropriate management resources for the Property Business to strengthen its existing management team. There can be no assurance that the existing management team will be able to integrate with the management resources recruited by the Group, and the Group may experience initial operational difficulties and/or management disputes which may materially and adversely affect the Group's business, results of operations, financial condition and prospects.

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- (f) The Group is subject to risks associated with minority or non-controlling interests in the Property Business

In investing in the Property Business, the Group may hold property investments through or make investments in entities that are not the Group's subsidiaries, and over which the Group does not have majority control. The performance of these entities and the Group's share of their results are subject to the same or similar risks relating to the Property Business described herein that affect the Group. There is no assurance that the Group will be able to influence the management, operation, and performance of these entities through its voting rights in a manner which would be favourable to the Group, or at all. If all or any of these entities were to perform poorly, the Group's business, results of operations, financial condition and prospects may be materially and adversely affected.

- (g) The Group may be unable to identify and secure new projects and leases of new sites to grow or develop the Property Business

The performance and success of the Property Business depends on the Group's ability to identify profitable projects and following such identification, to successfully implement and complete such projects. This ability may be negatively affected by various factors, including, amongst others, competition for new sites from other competitors, and changes to the general economic conditions in countries where the Group intends to operate the Property Business. There is thus no guarantee that the Group will always be successful in identifying suitable projects or completing such projects profitably. The Group's inability to identify and secure leases of new sites at commercially acceptable prices could impair its ability to compete with other competitors and materially and adversely affect the Group's business, results of operations, financial condition and prospects.

- (h) The performance of the Property Business may be affected by fluctuations in valuations of the investment properties and other assets

The Property Business will require the Group to hold more physical assets, which exposes it to greater risks and valuation fluctuations in the open market that are beyond its control.

The fair values of the investment properties may be subject to reassessment for reporting purposes. Under the Singapore Financial Reporting Standards, gains or losses arising from changes in the fair value of the investment properties are included in the Group's income statement in the period in which they arise. However, fair value gains do not change the Group's overall cash position or liquidity as long as the Group continues to hold such investment properties.

The amount of fair value adjustments may also be subject to market fluctuations. The changes in market conditions may create fair value gains for losses on the Group's investment properties. In particular, the fair value of the investment properties could decline in the event that, among other things, the real estate industry experiences a downturn as a result of government policies aimed at "cooling off" the real estate market, or any global market fluctuations and economic downturn.

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In addition, fair value gains of the Group's properties are based on valuations performed by an independent valuer and are calculated based on assumptions adopted by them. There is no assurance that the assumptions used by the independent valuer will be realised. Any decrease in the fair value of the Group's investment properties could lead to a decrease in fair value gains on investment properties in the Group's income statement which could materially and adversely affect the Group's business, results of operations, financial condition and prospects.

- (i) The Group may not be able to identify, acquire, develop and/or sell profitable property development projects for the Property Business

The performance and success of the Property Business depends on the Group's ability to identify profitable property development projects and, following such identification, to successfully acquire, develop, sell and/or lease such projects. This ability may be negatively affected by various factors, including competition for new land sites from other property developers, changes to the general economic conditions in countries where the Group carries out its property investment and development operations and changes to relevant interest rates, construction costs, land costs and property prices. There is thus no guarantee that the Group will always be successful in identifying suitable property development projects or completing such property development projects profitably.

The Group's inability to identify and acquire attractive new sites at commercially acceptable prices could impair its ability to compete with other property developers and materially and adversely affect the Group's ability to grow the Property Business.

- (j) The Group may not have adequate resources to finance land acquisition, to undertake property development and property investment projects or to otherwise carry out its expansion into the Property Business

Property development projects usually require high capital outlay during the land acquisition and construction phases and may take one (1) or more years before positive cash flows may be generated through the sale of units whether under development or completed. Depending on the size and complexity of the project, it usually takes more than a year to complete a property development. Moreover, property investment and development projects may require periodic capital expenditure, refurbishment, renovation for improvements and development of the properties to be acquired by the Group in order to remain competitive or be income-producing. Any potential investment opportunities identified by the Group may also require lengthy investment lock-in periods.

Therefore, the Group's ability to successfully grow and sustain its Property Business is dependent on adequate financing. The Property Business may require strong financial holding power to maintain investment properties until a suitable price can be attained, which will likely require substantial capital investments or cash outlay. There is no assurance that financing, either on a short-term or a long-term basis, will be made available or, if available, that such financing can be obtained on commercially reasonable terms, in which event the Group's business, results of operations, financial condition and prospects will be materially and adversely affected.

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The Group plans to finance its expansion into the Property Business primarily through internal sources of funds and progress payments from purchasers in respect of the Group's development properties, as well as financial institution borrowings. That said, any inability to secure adequate equity or debt financing may materially and adversely affect the Group's expansion into the Property Business.

Should the Group not be able to secure borrowings in a difficult credit environment, the Group may also seek access into the capital markets to raise funds for its property investment and development operations through equity and/or debt financing. If the equity capital raising is other than by a rights issue, or if new shares are issued to fund new property investment and development, this will dilute the shareholding interest of existing Shareholders. Further, if the Group fails to utilise the new equity to generate a commensurate increase in earnings, the Group's EPS will be diluted and this could lead to a decline in Share price. Further, an issue of Shares below the then-prevailing market price will also affect the value of Shares then held by investors. Dilution in Shareholders' equity interests may occur even if the issue of Shares is at a premium to the market price.

The Group cannot guarantee that it will have sufficient funds at its disposal for land acquisitions or property developments, be able to sell or finance the development of the project through the sale and/or lease of units in any particular development, or be able to secure adequate financing, if at all, or obtain or renew credit facilities granted by banks and financial institutions for the projects in question. The Group's ability to obtain sufficient financing for land acquisitions or property developments with a commercially acceptable rate of return is dependent on many factors, some of which may be beyond its control, such as general economic conditions, the terms of credit offered by financial institutions and the availability of other sources of equity or debt financing.

Additional debt funding is subject to interest payments and interest rate fluctuations and may also be subject to conditions that restrict or require consent for corporate restructuring, additional financing or fundraising, or requirements on the maintenance of certain financial ratios. These conditions may increase the Group's financing costs and obligations and reduce the availability of the Group's cash flow for capital expenditures, working capital and other general corporate purposes. In addition, these conditions may limit the flexibility of the Group in planning for, or reacting to, changes in the business or industry and increase the Group's vulnerability to general adverse economic and industry conditions, and may limit the Company's ability to pay dividends. Any default on any financial covenants could also trigger cross-defaults and affect the Group's financial position and liquidity.

- (k) The Group may not be able to successfully implement its investment strategy for its property investment and development operations of the Property Business

There is no guarantee that the Group will be able to implement its investment strategy successfully or that it will be able to expand the property portfolio at any specified rate or to any specified size. The Group may not be able to make acquisitions or investments on favourable terms or within a desired time frame.

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Even if the Group were able to successfully acquire property or investments, there is no assurance that its property investment and development operations will achieve its intended return on such acquisitions or investments.

- (l) The Property Business may not be able to generate adequate returns on its future investment properties

The Group intends to acquire and hold investments in various types of properties in relation to its Property Business. The Group may also develop properties and hold part of them as investment properties. Property investment is subject to varying degrees of risk. The investment returns available from commercial property investments is reliant, to a large extent, on the amount of capital appreciation generated, income earned from the rental of the relevant properties, and the costs incurred.

Maximising yields from such properties held for long-term investment also depends to a large extent on active ongoing management and maintenance of the properties. The ability to eventually dispose these investment properties will also depend on market conditions and levels of liquidity, which may be limited or subject to significant fluctuation. The revenue derived from and the value of property investment may be adversely affected by a number of factors, including but not limited to changes in market rates for comparable rentals, local real estate conditions, perceptions by tenants, businesses, retailers or shoppers of the attractiveness of the development projects, the inability to collect rent due to bankruptcy or insolvency of tenants and the costs resulting from periodic or ad hoc maintenance, repair and reletting.

If the Group ventures into property investment but is unable to generate adequate returns, its business, results of operations, financial condition and prospects may be materially and adversely affected.

- (m) The Group is exposed to risks associated with property valuations and decline in property values in relation to its future investment properties

The net asset value and profitability of the Group may be affected by the valuations of its future investment properties.

In the event that the Group applies the fair value model when accounting for all its investment properties, the value of its future investment properties may fluctuate from time to time due to market and other conditions, including changes in the supply and demand of properties as well as rental and occupancy levels. Such adjustments to the fair value of its investment properties could have an adverse effect on its net asset value and profitability.

In the event that the Group relies on valuations of the Group's future properties conducted by professional valuers, such valuations will be based on certain assumptions and are not intended to be a prediction of, and may not accurately reflect, the actual values of any of the Group's future property assets. The inspections of the properties and other works undertaken in connection with a valuation exercise may not identify all material defects,

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breaches of contracts, laws and regulations, and other deficiencies and factors that could affect the valuation.

Any factor which affects the value of any of the Group's future investment properties may materially and adversely affect the Group's business, results of operations, financial condition and prospects.

- (n) The Property Business may be adversely affected by the relatively illiquid nature of unsold property assets

The ability to eventually dispose of any unsold property assets at a profit is reliant on market conditions and levels of liquidity, which may be limited or subject to significant fluctuations. In the event that the Group is unable to sell a significant proportion of the properties it develops under the Property Business, the Group's business, results of operations, financial condition and prospects will be materially and adversely affected.

In addition, the Group may be required under applicable laws and regulations to sell off the properties it develops within a stipulated period of time. Failure to do so may expose the Group to penalties or charges whether in the form of higher stamp duty or otherwise.

Furthermore, the properties developed and land sites if and when acquired by the Group for the Property Business, along with unsold properties which the Group continues to hold for sale post completion, are relatively illiquid. The illiquidity of such assets may limit the Group's ability to convert these assets into cash on short notice. Such illiquidity may also have an adverse effect in determining the selling prices of the unsold completed property development assets in the future in the event that the Group requires an urgent sale of these assets, and limits the Group's ability to vary its portfolio of property held for sale in response to changes in economic, political, social or regulatory conditions in a timely manner. In such event, the Group's business, results of operations, financial condition and prospects may be materially and adversely affected.

- (o) The property investment and development operations of the Property Business may be subject to risks in relation to pre-sold properties

The Group may pre-sell most of its properties prior to completion in line with industry practice.

In the event of a failure or delay in the delivery of pre-sold properties to purchasers, the Group may be liable for potential losses that purchasers may suffer as a result. Such failure or delay may be attributed to factors such as the duration and the costs involved in completing construction, which are in turn adversely affected by factors such as delays in obtaining requisite licences, permits or approvals from government agencies or authorities, shortages of labour or raw materials, adverse weather conditions, natural disasters, labour disputes, disputes with contractors, accidents, and changes in government priorities and policies. If the delay in delivery extends beyond the contractually specified period, the purchasers may be entitled to terminate the pre-sale agreements and claim refunds of monies paid,

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damages and/or compensation for late delivery. There is no guarantee that the property investment and development operations will not experience significant delays in completion or delivery of presold properties.

Such failure and delay may therefore lead to a material adverse effect on the Group's business, results of operations, financial condition and prospects.

- (p) The Group is subject to various government regulations in the Property Business and the Property Business may be adversely affected by the Group's ability to obtain, maintain or renew regulatory approvals, permits or licences

The Property Business will be subject to various laws and regulations imposed by local and national authorities in Singapore and in the region. These laws, policies, procedures and regulations govern, among other things, land acquisition and ownership, foreign ownership restrictions, development controls, environmental protection, construction safety, building codes, zoning, taxation, land use and property sales, which may require the Group to obtain the requisite regulatory approvals, permits, certificates and/or licences to engage in the Property Business.

Such approvals and licences may be granted for fixed periods and are subject to renewal from time to time. The Group's ability to obtain, maintain, renew or comply with these approvals and licences in a timely manner is subject to the discretion of the relevant authorities and compliance with the applicable conditions and requirements. In the event that the Group is unable to obtain, maintain or renew such approvals and licences, this may result in the Group being unable to undertake or continue with certain projects, or, where there is a delay in obtaining or renewing them, the Group's ability to engage in the Property Business may be adversely affected.

In addition, the property industry is regulated by a multitude of laws and regulations, and is affected by changes in applicable laws, regulations and government policies. Failure to comply with the applicable laws and regulations may subject the Group to penalties or revocation of its licences or approvals, all of which could adversely affect the Group's operations and financial performance. Amendments to foreign ownership rules, taxation regimes, or compulsory land acquisition policies may also limit the Group's ability to acquire, develop, hold or dispose of Property Related Assets and may reduce the profitability or value of such assets, adversely impacting the Group's investments or returns, particularly in overseas jurisdictions.

Any contravention of such aforementioned laws, regulations, requirements or restrictions may subject the Group, its employees and/or its directors to statutory penalties which may be significant, such as fines imposed by the relevant authorities, or the Group may have to modify, suspend or discontinue its operations. Hence, any conviction for such contravention may have a material adverse effect on the Group's business, financial conditions, results of operations and prospects.

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Furthermore, changes to relevant laws and regulations could result in higher compliance costs and may also adversely affect the operations of the Group and result in the Group suffering losses. The Group may not be able to anticipate any changes to the laws, regulations, requirements or restrictions in the countries in which the Group may expand for its Property Business. In the event that there are unexpected changes to any applicable laws, regulations, requirements or restrictions that render the Group unable to comply, this will have a material and adverse effect on the operations and future plans of the Group under the Property Business.

- (q) The Group is subject to the cyclical nature of the property market in Singapore and in the region

In general, the cyclical nature of the property market in most countries affects property values largely through supply and demand of comparable properties, the rate of economic growth in such countries, and political and economic developments in such countries and neighbouring regions. Some property markets are also affected by property cooling measures imposed by the regulatory authorities. There can be no assurance that such further measures will not be introduced and that property values will not decline in the future.

Furthermore, in the event of economic decline (whether as a result of an outbreak of infectious diseases such as COVID-19 or otherwise), the Group may experience regulatory pressures, or market pressures from tenants or prospective tenants, to provide rent reductions or longer rent-free periods than usually given on investment properties or pressures from prospective purchasers to provide reduced market prices for the sale of properties. These events may adversely affect the property market and in turn the financial performance of the Group.

- (r) The Group may be subject to substantial liability should the management of any Property Related Assets cause personal injuries or illnesses

Products (including food and beverage) may be served in the properties owned, lease, operated or managed by the Group. Specifically, provision of any products for human consumption involves an inherent risk of injury to consumers. Such injuries may result from tampering by unauthorised third parties or product contamination or degeneration, including the presence of foreign contaminants, chemicals, substances, or other agents or residues during the various stages of the procurement, production and serving process. While food and beverage operations are subject to governmental inspections and regulations, the Group cannot assure Shareholders that its service of such products will not cause health-related illnesses in the future, or that it will not be subject to claims or lawsuits relating to such matters. In the event of any injury or illness arising from such service, the Group's insurance coverage may not be adequate to cover the financial damage, and its reputation, business, financial condition and results of operations may be adversely affected.

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2.7.2 Risks relating to the Coffee Business

- (a) The Coffee Business may be adversely affected by intense competition in the coffee industry and food and beverage sector

Singapore and China's coffee industry is intensely competitive. The Group's products, including its coffee recipes, may not be proprietary, and, therefore, the Group may be unable to prevent competitors from copying the recipes of our products and sell similar products. The Group mainly competes with a number of coffee shop operators for customers. The Group's competitors may have more financial, technical, marketing and other resources and may be more experienced and able to devote greater resources to the development, promotion and support of their businesses.

From time to time, the Group may need to take steps to address competitive and customer pressures and to maintain market share, including by increasing promotional offers and reducing prices. Pressures may restrict the Group's ability to raise prices in response to cost increases related to green coffee, packaging materials, labour and other costs. Any reduction in prices as a result of competitive pressures, or any failure to increase prices when raw material or other costs increase, could have a material adverse effect on the Group's profit margins and, if its sales volumes fail to grow sufficiently to offset any reduction in margins, its results of operations could suffer.

There is no assurance that the Group will be able to provide comparable services and/or lower prices to compete effectively or respond more quickly to market trends than potential or existing competitors. If so, the Group's business, results of operations, financial condition and prospects may be materially and adversely affected.

- (b) The Coffee Business may be adversely affected by adverse weather and farming conditions, including climate change

Production of green coffee is vulnerable to extreme weather conditions such as windstorms, hailstorms, droughts and temperature extremes, as well as natural disasters. Natural disasters or adverse conditions may occur in China, including severe weather, such as excessive rainfall and drought as well as power outages or other events which are beyond the Group's control. Unfavourable conditions can reduce both crop yield and crop quality. Though the Group operates in a region with generally predictable and favourable weather conditions, these factors can create substantial volatility relating to its business. We take into account the possibility of the occurrence of these adverse seasonal weather conditions in making the Group's production plans to mitigate such risks. However, such events are difficult to foresee or plan for and may occur at any time of the year, and the occurrence of any of these events may create the volatility for the Group's business and results of operations.

Agriculture is extremely vulnerable to climate change, including large-scale changes such as global warming. Global warming is projected to have a significant impact on conditions

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affecting agriculture, including temperature, carbon dioxide concentration, precipitation and the interaction of these elements. Higher temperatures may eventually reduce yields of desirable crops while encouraging weed and pest proliferation. Increased atmospheric carbon dioxide concentration may lead to a decrease in global crop production. Changes in precipitation patterns increase the likelihood of short-run crop failures and long-run production declines. Even a high level of farm-level adaptation in the agricultural sector will not entirely mitigate such negative effects. Rapid and severe climate changes may decrease the Group's crop production, which may materially and adversely affect the Group's business, results of operations and financial condition.

- (c) The Coffee Business maybe adversely affected by outbreaks of disease affecting the coffee crop

Production of green coffee is vulnerable to crop diseases and pest infestations, which may vary in severity, depending on the stage of production at the time of infection or infestation, the type of treatment applied and climatic conditions. The costs to control these diseases and other infestations vary depending on the severity of the damage and the extent of the plantings affected. Moreover, available technologies to control such diseases or infestations may not continue to be effective. These diseases or infestations can increase costs, decrease revenues and lead to additional expenses, which may have a material and adverse effect on the Group's business, results of operations and financial condition.

- (d) The Coffee Business may be adversely affected by fluctuations in the cost of green coffee and other commodity prices

Green coffee and other commodity price increases can impact the Group's business by increasing the cost of raw materials used to make its products and the costs to manufacture, package and ship such products. The Group's primary raw material is green coffee, an agricultural commodity that is subject to volatile pricing.

The supply and price of coffee can be affected by multiple factors, including speculation in the commodities markets, weather conditions such as drought and frost, seasonal fluctuations, real or perceived shortages, pest or other crop damage, land usage, the political climate in producing nations, competitive pressures, labour actions, currency fluctuations, armed conflict and government actions, including treaties and trade controls by or between coffee producing nations.

The Group is also exposed to cost fluctuations in other commodities, including palm and coconut oil, aluminium, glass, milk, sugar, electricity and natural gas. Increases in the cost of fuel can lead to increases in transportation and other costs. Much like coffee costs, the costs of these other commodities depend on various factors beyond the Group's control, including economic and political conditions, currency fluctuations, environmental regulation and weather patterns.

The Group assesses the prices charged for its products and seeks to negotiate terms with customers in order to address fluctuations in the costs of raw materials. However, if the Group is not able to increase its product sales prices to sufficiently offset increased raw

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material costs, either as a result of consumer sensitivity to pricing or otherwise, or if unit volume sales are significantly reduced due to price increases, or if the Group is unable to do so in a time-efficient manner, fluctuations in the price of raw materials have in the past and could in the future increase the Group's costs for such materials, which could have a material adverse effect on the Group's gross margin and profit.

(e) The Coffee Business may be adversely affected if land leases cannot be renewed

The operation of the Coffee Business is dependent on leased land. Land leases are potentially subject to uncertainties such as termination or breach by the landowners. Upon expiry of any such lease agreements, the lessor may refuse to extend the lease agreement or decide to re-enter into a new lease agreement.

There is no assurance that the Group will be able to renew the Group's land leases on terms that will be commercially acceptable to it, or at all. The Group may compete against other potential tenants, including other agricultural businesses which may have comparable or superior financial and other resources, to lease the Group's land after the expiry of the lease terms. In the event that the Group is unable to renew its land leases on terms that are commercially acceptable to it, it may be required to identify alternative land for its operations and may incur additional costs for such relocation. If the Group fails to renew the Lease Agreement for a considerable part of the land or find other land in the locations where it operates, it may be unable to implement its strategy in its agricultural business or may be forced to reduce its agricultural operations, which would materially adversely affect the Group's business, results of operations and financial condition.

(f) The Coffee Business may be unable to anticipate and successfully respond to changes in consumer preferences and market trends

Success in the Coffee Business depends, in part, upon the Group's ability to effectively anticipate, identify and respond to changing consumer tastes, perceptions and spending patterns, and to translate market trends into appropriate, saleable products. A shift in customer preferences away from coffee, the changes of spending patterns adversely affecting consumption of coffee, or the decrease or slow growth of coffee consumption in China, Singapore and such other countries in which the Group intends to operate would harm the Group's business, more than if the Group's revenues were generated from more diversified products.

In addition, even if the Group identifies emerging trends in consumer preferences, it may be slower to respond to such shifts relative to its competitors and there can be no assurance that any products the Group develops in response to such changes will satisfy consumer preferences. There are inherent marketplace risks associated with new products or packaging introductions, including uncertainties about trade and consumer acceptance. If the Group does not accurately predict if shifts in consumer preferences will be long-term or if it fails to introduce new and improved products to satisfy those preferences, or if it does not continue to develop products in faster-growing or more profitable categories, its results of operations could decline.

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The Group's success also depends upon the continued level of demand for coffee in its existing markets as well as demand for coffee in new markets. Increased demand for other beverages may dilute the demand for coffee. Consumers who choose soft drinks, juices, bottled water and other alternative beverage categories may reduce spending on coffee. In addition, adverse public opinion on, or unfavourable reports on the health effects of, caffeine (which, for example, suggest that excessive consumption of caffeine may lead to adverse health effects such as increased heart rate, nausea and vomiting, restlessness and anxiety, depression, headaches, tremors, and sleeplessness) or other compounds of the Group's products could significantly reduce the sales of the products of the Coffee Business. Because the Group is highly dependent on consumer demand for coffee, any shift in consumer preferences away from coffee could reduce demand for the Group's products and could have a material adverse effect on its business, financial condition or results of operations.

Arising from the above, the Group may also have to devote substantial resources to developing and promoting new products in order to adapt to evolving customer demands and market dynamics. Such initiatives may include the introduction of new coffee varieties, flavours, and complementary non-coffee products. However, there can be no assurance that these new products or cross-selling strategies will achieve commercial success. To the extent that the Group is unable to effectively anticipate market directions, identify new growth areas, or respond promptly to changing consumer trends, its competitive position, business performance, and financial results may be materially and adversely affected.

(g) The Coffee Business may be adversely affected by uncertainties relating to the growth of China and Singapore's coffee and food and beverage industries

The Coffee Business is affected by the development of China and Singapore's coffee industry and food and beverage industry in general. The demand for the Group's coffee items and its future results of operations will depend on numerous factors affecting the development of the coffee industry and food and beverage industry in general, such as governmental regulations and policies over this industry, investments in this industry and drinking culture and hobbies of consumers, and some of these factors are completely beyond the Group's control.

A decline in the popularity of coffee, especially freshly brewed coffee, or any failure by the Group to adapt its strategies in response to trends in the coffee industry and food and beverage industry (including trends in China and Singapore), may adversely affect the Group's results of operations and business prospects.

(h) The Coffee Business may be adversely affected by labour market tightening, increased labour costs and potential labour unrest

The Coffee Business requires a substantial number of personnel. Any failure to retain stable and dedicated labour by the Group may lead to disruption to its business operations. The Group will compete with other companies in the food and beverage industry and

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other labour-intensive industries for labour, and it may not be able to offer competitive remuneration and benefits compared to them. If the Group is unable to manage and control our labour costs, its business, financial condition and results of operations may be materially and adversely affected.

2.7.3 General risks relating to the New Businesses

(a) The Group has no prior track record in the New Businesses

The New Businesses are areas that are new to the Group. Accordingly, the Company may face the risks, uncertainties and problems associated with the entry into new businesses in which it has no prior track record.

In addition, the Company's current management team may not have the relevant expertise to ensure success in the New Businesses. The Company may also face difficulties in recruiting skilled and qualified personnel in the New Businesses due to their specialised natures. If the Company is unable to attract and retain a sufficient number of suitably skilled and qualified personnel, the Group's business, results of operations and financial condition may be adversely affected.

(b) The New Businesses may be adversely affected by the uncertain global economic outlook

The New Businesses may be affected by general global economic conditions. Many countries have experienced increasing inflationary pressure as a result of liberal monetary policy or excessive foreign fund inflow, or both. Geopolitical issues and controversy over trade barriers have triggered the implementation or proposed implementation of tariffs on certain imported products into the different nations. For example, the continued threats of tariffs, trade restrictions, trade barriers and tensions over trade and technology between the PRC and the United States could have a generally disruptive impact on the global economy, including increases to the costs of raw materials and supplies and negatively affecting consumer spending and corporate capital expenditure confidence levels. Fast-changing trade policies could significantly undermine the stability of the global economies.

It is difficult to predict how long such a situation will last and how the markets and businesses may be affected. Accordingly, these circumstances could potentially present risks to the Group, including an increase in interest expenses on bank borrowings, thereby materially and adversely affecting our business operations and future financial performance. Given the uncertainties to the future economic outlook, the Group cannot give any assurance that it will be able to maintain or continue to grow its revenue and profits, or that it will be able to react promptly to any change in economic conditions. In the event that it fails to react promptly to the changing economic conditions, the Group's business, results of operations, financial condition and prospects may be materially and adversely affected.

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- (c) The New Businesses may be exposed to a range of economic risks in the countries in which the Group may operate

The New Businesses can be affected by many factors which are beyond the Group's control. Any of the following factors may cause fluctuations and/or declines in the markets in which the Group operates or invests such as (i) legal and regulatory changes; (ii) government policies; (iii) economic and political conditions; (iv) level and volatility of liquidity and risk aversion; (v) concerns about natural disasters, terrorism and war; (vi) the level and volatility of equity, debt, property, commodity and other financial markets; (vii) the level and volatility of interest rates and foreign currency exchange rates; (viii) concerns over inflation; and (ix) changes in investor confidence levels. Any of the foregoing factors could adversely impact the performance of the New Businesses, which in turn may materially and adversely affect the Group's business, financial condition, results of operations and prospects in respect of the New Businesses.

The performance of the New Businesses depends largely on the economic situation in the geographical markets which the Group proposes to enter. There is no assurance that the property sector or the coffee sector in such geographical markets will continue to grow. This may affect the demand for the Property Related Assets or the Group's coffee beans or coffee products. Other geographical markets in which the Group seeks to operate may be adversely affected by political, economic, regulatory, social or diplomatic developments. Changes in inflation, interest rates, taxation or other regulatory, economic, social or political factors affecting such other geographical markets, or adverse developments in the supply, demand and prices of resources in such countries, may have an adverse effect on the New Businesses. This may also materially and adversely affect the Group's business, financial condition, results of operations and prospects in respect of the New Businesses.

- (d) The New Businesses may be subject to general risks associated with operating businesses outside Singapore

The Group intends to expand its operation of the New Businesses in countries within the region (as further elaborated on in section 2.2.3 (The Group's plans relating to the New Businesses) of this Circular), while remaining open to opportunities in respect of the New Businesses in other geographical markets. There are risks inherent in operating businesses overseas, which include unexpected changes in regulatory requirements, difficulties in staffing and managing foreign operations, social and political instability, fluctuations in currency exchange rates, potentially adverse tax consequences, legal uncertainties regarding liability and enforcement, changes in local laws and controls on the repatriation of capital or profits. Any of these risks could adversely affect the Group's overseas operations and, consequently, its business, financial performance, financial condition and operating cash flow in respect of the New Businesses.

Further, the revenue from the New Businesses may be generated from overseas markets and in foreign currencies. To the extent that the Group's revenue, purchases and operating costs are not matched in the same currency and to the extent there are timing differences between invoicing and collection of payment, as the case may be, the Group may be exposed to any

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unfavourable fluctuations of such currencies of the jurisdictions in which the Group will be engaging in to conduct the New Businesses, and the Group's operating results may be materially or adversely affected.

- (e) The New Businesses are subject to risks relating to the economic, political, legal or social environment in the overseas markets in which the Group may operate

The Group's business, earnings, asset values, prospects in relation to the New Businesses may be materially and adversely affected by developments with respect to inflation, interest rates, currency fluctuations, government policies, price and wage controls, exchange control regulations, taxation, expropriation, social instability and other political, legal, economic or diplomatic developments in or affecting the overseas markets in which the Group may operate. The Group does not have control over such conditions and developments and can provide no assurance that such conditions and developments will not have a material and adverse effect on the Group's business, financial condition, results of operations and prospects in respect of the New Businesses.

- (f) The operations of the New Businesses may be subjected to disruptions caused by uncontrollable and unforeseen events and influences

The Group may face severe disruption in operations of its New Businesses from events or circumstances not within its control which, sustained over time, may negatively impact the Group's financial condition and performance. Examples of these events or circumstances include conflicts, wars, terrorism, global pandemics (including the COVID-19 pandemic) and other social disruptions, adverse weather and natural disasters including floods and earthquakes, increased costs, unexpected delays from the engagement of third party contractors and service providers, accidents or fires which may result in injuries, damages to critical equipment, power supply or infrastructure and disruptions caused by members of the local community. Any of these events or conditions could materially and adversely affect the Group's business, financial condition, results of operations and prospects in respect of the New Businesses.

- (g) The Group is exposed to risks associated with acquisitions, joint ventures or strategic alliances in respect of the New Businesses

Depending on available opportunities, feasibility and market conditions, the Group's expansion into the New Businesses may involve acquisitions, joint ventures or strategic alliances with third parties. Participation in joint ventures, strategic alliances, acquisitions, or other investment opportunities in relation to the New Businesses involves numerous risks, including the possible diversion of attention of management from existing business operations and loss of capital or other investments deployed in such joint ventures, strategic alliances, acquisition or opportunities. In such events, the Group's business, financial condition, results of operations and prospects in respect of the New Businesses may be materially and adversely affected.

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(h) The Group may be exposed to material litigation relating to the New Businesses

Notwithstanding that there is no ongoing litigation as at the Latest Practicable Date in respect of the New Businesses, the New Businesses may be subject to a complex legal and regulatory environment in future. Any litigation brought against the Group in the future in relation to the New Businesses could have a material adverse effect on the Group's reputation, business, financial conditions, results of operations and prospects in respect of the New Businesses.

(i) The Group may be faced with limited availability of funds and is subject to financing risks relating to the New Businesses

The availability of financing may be essential to the Group's ability to undertake and/or expand the New Businesses. However, the Group cannot assure that it will have sufficient funds at its disposal for the operations and expansion of the New Businesses, or be able to secure adequate financing, if at all, or obtain or renew credit facilities granted by banks and financial institutions for the projects in question when the need arises. Furthermore, the incurrence of debt will increase the Group's financing costs and obligations and could result in operating and financial covenants imposed by financial institutions that restrict its operations and its ability to pay dividends to Shareholders. In such event, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected in respect of the New Businesses.

(j) The Group may be exposed to risk of loss and potential liabilities relating to the New Businesses that may not be covered by insurance

While the Group will, where appropriate, obtain insurance policies to cover potential losses for its New Businesses, the insurance obtained may not be sufficient to cover all potential losses. Examples of such potential losses include losses arising out of extraordinary events such as natural disasters like earthquakes or floods. Losses arising out of damages not covered by insurance policies in excess of the amount that is being insured would affect the Group's profitability in respect of the New Businesses. The Group may also have to commit additional resources to meet the uninsured losses which would also materially and adversely affect the financial performance of the Group in respect of the New Businesses.

(k) The success of the New Businesses is dependent on the Group's reputation. Any adverse publicity could have an adverse effect on the Group's business and financial performance

The success of the New Businesses may, in part, depend on the market's perception of the Group. Negative publicity or adverse reputational events (whether or not justified) associated with the Group or any of its officers or employees may adversely impact the Group's reputation and result in a loss of clients. Any shift in perception of the New Businesses caused by media influences, peer perceptions or otherwise, or any report which surfaces in the media relating to the New Businesses, including but not limited to any issues (actual or alleged) relating to property development, investment or management projects undertaken by the Group (whether due to any issues of quality, timing and/or services of the Group

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or otherwise), regardless of merit, could expose the Company to reputational harm. The Group's business, financial condition, results of operations and prospects may be materially and adversely affected as a result.

Therefore, any perception of or alleged mismanagement, fraud or failure to discharge legal, contractual, regulatory or fiduciary duties, responsibilities, liabilities or obligations may have a material and adverse effect on the Group's business, financial condition, results of operations and prospects in respect of the New Businesses.

(l) Limitation in risk management and internal control systems

The risk management and internal control systems of the Group, no matter how sophisticated in design, still contains inherent limitations caused by misjudgement or fault. Accordingly, there is no assurance that the risk management and internal control systems are adequate or effective notwithstanding the Group's efforts, and any failure to address any internal control matters and other deficiencies may result in investigations and/or disciplinary actions, prosecution being taken against the Group and/or its employees, disruption to the risk management system, and/or an adverse effect on the Group's financial condition and results of operations.

As the New Businesses are new areas of business to the Company, the Company will face the usual risks, uncertainties and problems associated with the entry into any new business which it has no prior track record in. These risks, uncertainties and problems include financial costs of setting up new operations, capital investment and maintaining working capital requirements, the inability to manage the operations and costs, the failure to provide the results, level of revenue and margins that the Company expects, and the inability to find the suitable joint venture, strategic or other business partners. There is no assurance that the management of the Company will be able to ensure success in undertaking the New Businesses.

If any of the above risks materialise, the Group's business, financial condition, results of operations and prospects may be materially and adversely affected.

2.8 Requirements under the Listing Manual

2.8.1 Proposed Diversification as ordinary business

Rule 1002(1) of the Listing Manual provides that a "transaction" generally refers to the acquisition or disposal of assets, or the provision of financial assistance, by an issuer or its subsidiary, including an option to acquire or dispose of assets. It excludes a transaction which is in, or in connection with, the ordinary course of its business or of a revenue nature.

Pursuant to Practice Note 10.1 of the Listing Manual, an acquisition can be regarded to be in, or in connection with, the ordinary course of an issuer's business if (a) the asset to be acquired is part of the issuer's existing principal business; and (b) the acquisition does not change the issuer's risk

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profile. Further guidelines are provided under Practice Note 10.1 of the Listing Manual on what consists of “existing principal business” and “change of risk profile”.

As the New Businesses will involve new business areas which are not part of the Company’s existing principal business, it is envisaged that the New Businesses will change the existing risk profile of the Group. Accordingly, the Directors are convening the EGM to seek Shareholders’ approval for the Proposed Diversification.

Upon approval by the Shareholders of the Proposed Diversification, any transaction which is in, or in connection with, the New Businesses, may be deemed to be in the Group’s ordinary course of business and therefore not fall under the definition of a “transaction” under Chapter 10 of the Listing Manual. As such, the compliance requirements prescribed under Rules 1010 and 1014 of the Listing Manual will not apply to transactions in the New Businesses which are within the Company’s existing principal business for so long as it is in the ordinary course of business or of a revenue nature, save in the circumstances further described in section 2.8.2 (Ongoing Compliance Requirements under the Listing Manual) of this Circular.

For the avoidance of doubt, under paragraph 2.4 of Practice Note 10.1, an asset is part of the issuer’s existing principal business if the acquisition of the asset is required to be reported under the applicable accounting standards within a specific reportable operating segment (excluding any miscellaneous “any other segment” category) that (a) contributes more than 20.0% of the issuer’s net profits or total assets; and (b) has been reported in the issuer’s latest audited financial statements. Accordingly, an acquisition that does not meet such criteria will not be regarded as within the existing principal business and the transaction will not be the ordinary course of business.

Pursuant to Rule 1014 of the Listing Manual, a Major Transaction must be made conditional upon approval by shareholders in a general meeting. In the case where any of the relative figures computed on the bases set out in Rule 1006 of the Listing Manual exceeds five per cent. (5.0%) but does not exceed 20.0% an announcement of the prescribed information pursuant to Rule 1010 of the Listing Manual will also be required.

The Proposed Diversification will thus allow the Group, in its ordinary course of business, to enter into transactions relating to the New Businesses in an efficient and timely manner without the need to convene separate general meetings to seek Shareholders’ approval as and when potential transactions relating to the New Businesses arise, for so long as it is in the ordinary course of its business or of a revenue nature. As such, the Company will not need to convene separate general meetings from time to time to seek Shareholders’ approval as and when potential transactions which are transactions within the ordinary course of the New Businesses or are of a revenue nature arise, even when such transactions cross the thresholds of a Major Transaction. This will substantially reduce the administrative time and expenses incurred in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Company.

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2.8.2 Ongoing compliance requirements under the Listing Manual

In accordance with the SGX-ST's recommended practice in relation to diversification of business, if an issuer has not operated in the new business space and did not provide sufficient information about the new business at the time when it is seeking shareholders' approval for the diversification mandate, where the issuer enters into the first Major Transaction involving the Property Business or the Coffee Business (the "**First Major Transaction**"), or where any of the figures computed based on Rule 1006 of the Listing Manual in respect of several transactions in respect of the Property Business or the Coffee Business aggregated (the "**Aggregated Transactions**") over a period of 12 months exceeds 20.0%, such First Major Transaction or the last of the Aggregated Transactions of each of the Coffee Business and the Property Business will constitute a "transaction" subject to the requirements under Rules 1010 and 1014 of the Listing Manual and must be made conditional upon Shareholders' approval.

For the avoidance of doubt, notwithstanding that Shareholders' approval for the Proposed Diversification may have been obtained, in respect of transactions relating to the New Businesses:

- (a) the Company will make immediate announcement and disclosure pursuant to and in compliance with Rule 704(17) of the Listing Manual for any acquisition of (i) shares resulting in the Company holding 10.0% or more of the total number of issued shares excluding treasury shares and subsidiary holdings of a quoted company; and (ii) quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of five per cent. (5.0%) of the issuer's latest audited consolidated net tangible assets;
- (b) in determining the categorisation of transactions under Chapter 10 of the Listing Manual, the SGX-ST may, pursuant to Rule 1005 of the Listing Manual, aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction notwithstanding that they may have been separate transactions;
- (c) Rule 1015 of the Listing Manual will apply to an acquisition of assets (whether or not the acquisition is deemed in the Company's ordinary course of business, which will include the New Businesses if the Proposed Diversification is approved by Shareholders) where any of the relative figures as computed on the bases set out in Rule 1006 of the Listing Manual is 100.0% or more, or which results in a change in control of the Company. Such transactions must be, amongst others, made conditional upon approval by Shareholders at a general meeting;
- (d) Chapter 9 of the Listing Manual will apply to a transaction which constitutes an "interested person transaction" as defined under the Listing Manual, and the Company will comply with the provisions of Chapter 9 of the Listing Manual;
- (e) Practice Note 10.1 of the Listing Manual will apply and in this regard, Shareholders' approval would be required for any transaction (which falls within the definition set out in Rule 1002(1) of the Listing Manual) if the transaction changes the risk profile of the Company such as an expansion of the Group's business to a new jurisdiction that will expose the Company to significant new risks; and

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- (f) the Company will be required to comply with any applicable and prevailing rules under the Listing Manual as amended or modified from time to time.

2.9 Future Plans and Prospects

The Group will continue with its Existing Business. The Group's entry into the Property Business and the Coffee Business is intended to be a diversification of the Group's Existing Business as part of the corporate strategy of the Group to provide Shareholders with diversified returns and long-term growth. The Proposed Diversification will offer new business opportunities and provide the Group with new revenue streams so as to enhance Shareholders' value for the Company.

2.10 Changes to the Board arising from the Proposed Diversification

As at the Latest Practicable Date, there will be no new appointment to the Board arising from the Proposed Diversification.

2.11 Financial Effects of the Proposed Diversification

2.11.1 Financial effects of the Proposed Diversification into the Property Business

As at the Latest Practicable Date, the Company has no affirmative and binding plans in relation to the Property Business that is expected to materially impact the net profit, EPS or NTA of the Group.

Should there be any material impact on the Group's NTA per Share and EPS for FY2026 as a result of any developments relating to the Proposed Diversification into the Property Business, the Company will make the necessary announcements at the appropriate time.

2.11.2 Financial effects of the Proposed Diversification into the Coffee Business

The financial effects of the Proposed Diversification into the Coffee Business as set out below are computed based on the Group's latest audited consolidated financial statements for FY2025 based on, among others, the following assumptions:

- (a) the expected capital outlay for the Proposed Diversification into the Coffee Business of RMB 80 million;
- (b) funding the Coffee Business through the Lingbao Proceeds;
- (c) the Proposed Diversification into the Coffee Business was completed on 31 December 2025 for the purpose of computing the financial effects on the NTA per share of the Company;
- (d) the Proposed Diversification into the Coffee Business was completed on 1 January 2025 for the purpose of computing the financial effects on the EPS of the Company; and
- (e) the legal, advisory, professional services and administrative costs and expenses incurred or to be incurred in connection with the Proposed Diversification into the Coffee Business have been disregarded.

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The financial effects below are purely for illustrative purposes only and should not be taken as an indication of the actual financial performance or position of the Company and the Group following the Proposed Diversification into the Coffee Business.

(i) **NTA per Share**

Assuming that the Proposed Diversification into the Coffee Business was completed on 31 December 2025, the financial effects on the NTA for FY2025 are as follows:

	Before the Proposed Diversification into the Coffee Business	After the Proposed Diversification into the Coffee Business
NTA (S\$'000)	43,042	42,345
Number of Shares (excluding treasury shares)	1,434,967,260	1,434,967,260
NTA per Share (S\$)	0.0300	0.0295

(ii) **EPS**

Assuming that the Proposed Diversification into the Coffee Business was completed on 1 January 2025, the financial effects on the EPS for FY2025 are as follows:

	Before the Proposed Diversification into the Coffee Business	After the Proposed Diversification into the Coffee Business
Profit/(Loss) attributable to Shareholders (S\$'000)	(11,990)	(12,687)
Number of Shares (excluding treasury shares)	1,434,967,260	1,434,967,260
EPS (Singapore cents)	(0.84)	(0.88)

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE COMPANY

Save as disclosed in this Circular, none of the Directors, the Substantial Shareholders or their respective associates has any interest, direct or indirect, in the Proposed Diversification, other than through their respective directorships and/or shareholdings in the Company.

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares, as recorded in the Register of Directors' shareholdings and Register of Substantial Shareholders' shareholdings respectively, were as set out in the table below:

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	Direct Interest		Deemed Interest	
	Number of Shares ⁽¹⁾	%	Number of Shares ⁽¹⁾	%
<u>Directors</u>				
Mr. Ding Furu	–	–	1,047,408,760 ⁽²⁾	72.99
Mr. Francis Lee Fook Wah	–	–	–	–
Mr. Kong WeiLi	–	–	–	–
Mr. Fan Bin	–	–	–	–
<u>Substantial Shareholders</u>				
New Development Hotel	1,047,218,560	72.98	–	–
Mr. Ding Furu ⁽²⁾	–	–	1,047,408,760	72.99
UOB Kay Hian Private Limited	100,000,000	6.97	–	–
Hong Kong Bright Food Investment Co., Limited ⁽³⁾	–	–	100,000,000	6.97
Yang Shang Ran ⁽³⁾	–	–	100,000,000	6.97
Union Energy Corporation Pte Ltd	41,000,000	2.86	–	–
Teo Kiang Ang ⁽⁴⁾	35,211,000	2.45	41,000,000	2.86

Notes:

- (1) Based on the total share capital of the Company of 1,434,967,260 Shares as at the Latest Practicable Date.
- (2) Mr. Ding is deemed interested in the (a) 1,047,218,560 Shares held in the name of New Development Hotel, of which Mr. Ding is the sole director and shareholder; and (b) 190,200 Shares held by UOB Kay Hian Pte Ltd for and on behalf of him as the beneficial owner.
- (3) Hong Kong Bright Food Investment Co., Limited ("HK Bright Food") is deemed interested in 100,000,000 Shares held by UOB Kay Hian Private Limited for and on behalf of it as the beneficial owner. Mr. Yang Shang Ran is deemed interested in the 100,000,000 Shares held by UOB Kay Hian Private Limited for and on behalf of HK Bright Food, of which he is the sole shareholder.
- (4) Mr. Teo Kiang Ang is deemed interested in the 41,000,000 Shares held by Union Energy Corporation Pte Ltd, of which he is the ultimate beneficial owner.

4. DIRECTORS' RECOMMENDATIONS

4.1 The Proposed Diversification into the Property Business

The Directors, having considered, among others, the rationale for the Proposed Diversification into the Property Business as set out above in this Circular, are of the opinion that the Proposed Diversification into the Property Business is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution 1 as set out in the Notice of EGM.

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4.2 The Proposed Diversification into the Coffee Business

The Directors, having considered, among others, the rationale for the Proposed Diversification into the Coffee Business as set out above in this Circular, are of the opinion that the Proposed Diversification into the Coffee Business is in the best interests of the Company and accordingly recommend that Shareholders vote in favour of Ordinary Resolution 2 as set out in the Notice of EGM.

4.3 Note to Shareholders

Shareholders, in deciding whether to vote in favour of the Proposed Diversification into the Property Business or the Proposed Diversification into the Coffee Business, should carefully read the background to, rationale for and benefits of the respective proposed transactions. In giving the above recommendations, the Directors have not had regard to the specific investment objectives, financial situation, tax position or unique needs or constraints of any individual Shareholder. As Shareholders would have different investment objectives, the Directors recommend that any Shareholder who is in any doubt as to the course of action he/she/it should take or may require specific advice in relation to his/her/its specific investment objectives or portfolio should consult his/her/its bank manager, stockbroker, solicitor, accountant, tax adviser or other professional adviser.

5. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held at Thai Village Restaurant, 5 Stadium Walk, #02-01 Leisure Park Kallang, Singapore 397693 on 23 April 2026 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day) for the purpose of considering and, if thought fit, passing with or without modifications, Ordinary Resolution 1 and Ordinary Resolution 2, each as set out in the Notice of EGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

6.1 Documents

This Circular, the Notice of EGM, the Proxy Form and Request Form may be accessed on the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>, and on the Company's website at the URL: <https://thaivillagerestaurant.com.sg/investors>.

Printed copies of this Circular will not be despatched to Shareholders, unless otherwise requested. The printed copies of the Notice of EGM, the Proxy Form and Request Form have been despatched to Shareholders and are also available on the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>, and on the Company's website at the URL: <https://thaivillagerestaurant.com.sg/investors>.

To receive a printed copy of this Circular, Shareholders are to complete and return the Request Form to the Company by post to the registered office of the Company at Block 1002 Tai Seng Avenue #01-2536

LETTER TO SHAREHOLDERS

Singapore 534409, or by email sg.is.proxy@vistra.com, no later than 15 April 2026 in accordance with the instructions set out therein.

Minutes of the EGM will be provided within one (1) month after the EGM on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements>.

6.2 Questions

Shareholders, including CPF Investors and SRS Investors, can submit questions in advance of the EGM.

Submission of substantial and relevant questions in advance of the EGM. Shareholders, including CPF Investors and SRS Investors, can submit substantial and relevant questions relating to Ordinary Resolution 1 and Ordinary Resolution 2 to be tabled for approval at the EGM to the Chairman of the Meeting, in advance of the EGM, in the following manner:

- (a) if submitted by post, the instrument must be lodged with the Company's registered office at Block 1002 Tai Seng Avenue #01-2536 Singapore 534409; and/or
- (b) if submitted electronically, the instrument must be submitted via email to sg.is.proxy@vistra.com.

in each case, by **3.00 p.m. on 15 April 2026 (being seven (7) calendar days from the date of the Notice of EGM)**. When sending in questions by post or email, please also include the following details: (a) full name; (b) address; and (c) the manner in which the Shares are held (e.g. via CDP, CPF, SRS and/or scrip).

Shareholders (including CPF Investors and SRS Investors) and, where applicable, appointed proxy(ies) can also ask live at the EGM substantial and relevant questions relating to Ordinary Resolution 1 and Ordinary Resolution 2 to be tabled for approval at the EGM by attending the EGM physically.

Addressing questions. The Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the EGM by publishing the responses to such questions on SGXNet at the URL: <https://www.sgx.com/securities/company-announcement> before **3.00 p.m. on 18 April 2026** (being 48 hours prior to the last date and time for lodgement of Proxy Form) (the "**Pre-EGM Reply**"). The Company will address those substantial and relevant questions which have not already been addressed in the Pre-EGM Reply, as well as those received live at the EGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

The Company will publish the minutes of the EGM on SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> within one (1) month from the date of EGM, and the minutes will include the responses to substantial and relevant questions from Shareholders which are addressed during the EGM.

6.3 Proxy Form

If a Shareholder is unable to attend the EGM and wishes to appoint a proxy(ies) to attend, speak and vote on his/her/its behalf, he/she/it should complete, sign and return the Proxy Form in the following manner:

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- (a) if submitted by post, the instrument must be lodged with the Company's registered office at Block 1002 Tai Seng Avenue #01-2536 Singapore 534409; or
- (b) if submitted electronically, the instrument must be submitted via email to sg.is.proxy@vistra.com,

in each case, **by 3.00 p.m. on 20 April 2026 (not less than 72 hours before the time appointed for holding the EGM).**

A Shareholder who wishes to submit an instrument appointing a proxy(ies) by post or via email will need to complete and sign the Proxy Form (which can also be downloaded from the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL: <https://thavillagerestaurant.com.sg/investors>) before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

If no specific direction as to voting is given, in respect of a resolution, the appointed proxy(ies) will vote or abstain from voting at his/her/their discretion. If the appointor is a corporate, the Proxy Form must be executed under seal or the hand of its duly authorised officer or attorney. Persons who have an interest in the approval of Ordinary Resolution 1 and Ordinary Resolution 2 must decline to accept their appointment as proxies unless the Shareholder concerned has specific instructions in his/her/its Proxy Form as to the manner in which his/her/its votes are to be cast in respect of such resolution.

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM (i.e. **3.00 p.m. on 20 April 2026** (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day)), as certified by CDP to the Company.

CPF Investors and SRS Investors (a) may attend and cast their vote(s) at the EGM in person if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) Business Days before the EGM (i.e. by **3.00 p.m. on 14 April 2026**), and such CPF Investor and/or SRS Investors shall be precluded from attending the EGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Diversification into the Property Business, the Proposed Diversification into the Coffee Business, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

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Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at Block 1002 Tai Seng Avenue #01-2536 Singapore 534409 during normal business hours from 9.00 a.m. to 5.00 p.m. for three (3) months from the date of this Circular:

- (a) the Lease Agreement; and
- (b) the Company's annual report for FY2024.

Shareholders who wish to inspect these documents at the registered office of the Company are required to make an appointment in advance. The Company will arrange a date when each shareholder can come to the registered office to inspect accordingly.

Yours faithfully

By Order of the Board
PAVILLON HOLDINGS LTD.

Fan Bin
Executive Chairman

8 April 2026

NOTICE OF EXTRAORDINARY GENERAL MEETING

PAVILLON HOLDINGS LTD.

(Company Registration No. 199905141N)
(Incorporated in the Republic of Singapore)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “**EGM**”) of Pavillon Holdings Ltd. (the “**Company**”) will be held at Thai Village Restaurant, 5 Stadium Walk, #02-01 Leisure Park Kallang, Singapore 397693 on 23 April 2026 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day), for the purpose of considering and, if thought fit, passing the following ordinary resolutions:

Please refer to the paragraph titled “IMPORTANT INFORMATION” below for details.

*All capitalised terms in this Notice which are not defined herein shall have the same meaning as ascribed to them in the Company’s circular dated 8 April 2026 (the “**Circular**”).*

Shareholders are to note that the passing of Ordinary Resolution 1 and Ordinary Resolution 2 are not conditional on each other.

ORDINARY RESOLUTION 1:

THE PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF THE GROUP TO INCLUDE THE PROPERTY BUSINESS

THAT:

- (a) approval be and is hereby given for the diversification by the Group of its Existing Business into the business of property development, property investment and property management as described in section 2.2.1 of the Circular (the “**Property Business**”) and any other activities related to the Property Business;
- (b) the Company be and is hereby authorised to invest in, purchase or otherwise acquire or dispose of, from time to time, any such assets, investments and shares or interests in any entity that is in the Property Business on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all such acts or things as they deem desirable, necessary or expedient or give effect to such investment, purchase, acquisition or disposal; and
- (c) the Directors and each of them be and are hereby authorised to complete, enter and do all acts and things (including, without limitation, prepare and finalise, approve, sign, execute and deliver all such documents or agreements as may be required) and take all such steps, exercise such discretion and do all such acts, deeds and/or things as they may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution 1 and implement any of the foregoing as they think fit and in the interests of the Company.

NOTICE OF EXTRAORDINARY GENERAL MEETING

ORDINARY RESOLUTION 2:

THE PROPOSED DIVERSIFICATION OF THE EXISTING BUSINESS OF THE GROUP TO INCLUDE THE COFFEE BUSINESS

THAT:

- (a) approval be and is hereby given for the diversification by the Group of its Existing Business into the business of investing in coffee related business, including, but not limited to, cultivation, plantation, farming, and production of coffee and trading, branding and retailing of coffee and its ancillary products, as described in section 2.2.2 of the Circular (the "Coffee Business") and any other activities related to the Coffee Business;
- (b) the Company be and is hereby authorised to invest in, purchase or otherwise acquire or dispose of, from time to time, any such assets, investments and shares or interests in any entity that is in the Coffee Business on such terms and conditions as the Directors deem fit, and such Directors be and are hereby authorised to take such steps and exercise such discretion and do all such acts or things as they deem desirable, necessary or expedient or give effect to such investment, purchase, acquisition or disposal; and
- (c) the Directors and each of them be and are hereby authorised to complete, enter and do all acts and things (including without limitation, prepare and finalise, approve, sign, execute and deliver all such documents or agreements as may be required) and take all such steps, exercise such discretion and do all such acts, deeds and/or things as they may consider necessary, desirable, incidental or expedient for the purposes of or to give effect to this Ordinary Resolution 2 and implement any of the foregoing as they think fit and in the interests of the Company.

By Order of the Board
PAVILLON HOLDINGS LTD.

Fan Bin
Executive Chairman

8 April 2026

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. The member's personal data and its proxy's(ies') and/or representative's(s')

NOTICE OF EXTRAORDINARY GENERAL MEETING

personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes. Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member of the Company and/or its proxy(ies) or representative(s) (such as his/her name, his/her presence at the EGM and any questions he/ she may raise or motions he/she proposes/seconds) may be recorded by the Company for such purpose.

IMPORTANT INFORMATION

1. The EGM will be held physically at Thai Village Restaurant, 5 Stadium Walk, #02-01 Leisure Park Kallang, Singapore 397693.
2.
 - (a) A member (who is not a relevant intermediary) entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument (expressed as a percentage of a whole). If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. In relation to a relevant intermediary who wishes to appoint more than two (2) proxies, it should annex to the Proxy Form the list of proxies, setting out, in respect of each proxy, the name, NRIC/Passport Number and proportion of shareholding (number of shares, class of shares and percentage) in relation to which the proxy has been appointed.

"Relevant intermediary" shall have the meaning ascribed to it in section 181 of the Companies Act 1967 of Singapore.
3. A proxy need not be a member of the Company. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. **Submission of substantial and relevant questions in advance of the EGM.** Members, including CPF Investors and SRS Investors, can submit substantial and relevant questions relating to Ordinary Resolution 1 and Ordinary Resolution 2 to be tabled for approval at the EGM to the Chairman of the Meeting, in advance of the EGM, in the following manner:
 - (a) if submitted by post, be lodged with the Company's registered office at Block 1002 Tai Seng Avenue #01-2536 Singapore 534409; and
 - (b) if submitted electronically, the instrument must be submitted via email to sg.is.proxy@vistra.com,

in each case, by **3.00 p.m. on 15 April 2026 (being seven (7) calendar days from the date of the Notice of EGM)**. When sending in questions by post or email, please also include the following details: (a) full name; (b) address; and (c) the manner in which the Shares are held (e.g. via CDP, CPF, SRS and/or scrip).

NOTICE OF EXTRAORDINARY GENERAL MEETING

Members (including CPF Investors and SRS Investors) and, where applicable, appointed proxy(ies) can also ask live at the EGM substantial and relevant questions relating to Ordinary Resolution 1 and Ordinary Resolution 2 to be tabled for approval at the EGM by attending the EGM physically.

5. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged with the Company's registered office at Block 1002 Tai Seng Avenue #01-2536 Singapore 534409; and
 - (b) if submitted electronically, the instrument must be submitted via email to sg.is.proxy@vistra.com.

in each case, by **3.00 p.m. on 20 April 2026 (not less than 72 hours before the time appointed for holding the EGM)**.

A member who wishes to submit an instrument appointing a proxy(ies) by post or via email will need to complete and sign the Proxy Form (which can also be downloaded from the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL: <https://thaivillagerestaurant.com.sg/investors>), before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM (i.e. 3.00 p.m. on 20 April 2026 (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day)), as certified by CDP to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and vote thereat unless his/her/its name appears on the Depository Register 72 hours before the time appointed for the EGM.

6. CPF Investors and SRS Investors:
 - (a) may attend and cast their vote(s) at the EGM in person if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) Business Days before the EGM (i.e. by **3.00 p.m. on 14 April 2026**), and such CPF Investor and/or SRS Investors shall be precluded from attending the EGM.
7. Printed copies of the Circular will not be despatched to Shareholders, unless otherwise requested. Printed copies of the Notice of EGM and the Proxy Form have been despatched to Shareholders and are also available on the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL: <https://thaivillagerestaurant.com.sg/investors>.

PAVILLON HOLDINGS LTD.(Company Registration No. 199905141N)
(Incorporated in the Republic of Singapore)**PROXY FORM****EXTRAORDINARY GENERAL MEETING**
(Please see notes overleaf before completing this Proxy Form)**IMPORTANT:**

- The Extraordinary General Meeting (the "EGM") of Pavillon Holdings Ltd. will be held at Thai Village Restaurant, 5 Stadium Walk, #02-01 Leisure Park Kallang, Singapore 397693.
- An investor who holds shares under the Central Provident Fund Investment Scheme (the "CPF Investor") and/or the Supplementary Retirement Scheme (the "SRS Investor") (as may be applicable) may attend and cast their vote(s) at the EGM in person if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies. Alternatively, CPF Investors / SRS Investors may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) Business Days before the EGM (i.e. by 3.00 p.m. on 14 April 2026), and such CPF Investor and/or SRS Investors shall be precluded from attending the EGM.
- This Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purported to be used by them.

*I/We		(Name)		NRIC/Passport No./ Co. Registration No.
of				(Address)

being a member/members* of **PAVILLON HOLDINGS LTD.** (the "**Company**"), hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)	
			No of Shares	%

*and/or

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)	
			No of Shares	%

or failing the person, or either or both of the persons referred to above, the Chairman of the Meeting as *my/our *proxy to vote for *me/us on *my/our behalf at the EGM to be held at Thai Village Restaurant, 5 Stadium Walk, #02-01 Leisure Park Kallang, Singapore 397693 on 23 April 2026 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day) and at any adjournment thereof. I/We* direct my/our* proxy to vote for, vote against or abstain from voting on the resolutions to be proposed at the EGM as indicated hereunder.

If no specific direction as to voting is given, in respect of a resolution, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion.

The resolution put to the vote at the EGM shall be decided by way of poll.

Ordinary Resolutions relating to:		For ⁽²⁾	Against ⁽²⁾	Abstain ⁽³⁾
1.	The Proposed Diversification into the Property Business			
2.	The Proposed Diversification into the Coffee Business			

- Voting will be conducted by poll. If you wish for your proxy to cast all your votes "For" or "Against" a resolution, please tick (✓) within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of the resolution.
- If you wish for your proxy to abstain from voting on the resolution, please tick (✓) within the "Abstain" box provided in respect of the resolution. Alternatively, please indicate the number of votes that your proxy is directed to abstain from voting in the "Abstain" box provided in respect of the resolution.

Dated this _____ day of _____ 2026.

Signature(s) of Shareholder(s)
or Common Seal of Corporate Shareholder

* Delete where inapplicable

Total No. of Shares	No. of Shares
(a) CDP Register	
(b) Register of Members	

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.
2. (a) A member (who is not a relevant intermediary) entitled to attend, speak and vote at the EGM is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument (expressed as a percentage of a whole). If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.

(b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument. In such event, the relevant intermediary shall submit a list of its proxies setting out number and class of shares in relation to which each proxy has been appointed together with the information required in this Proxy Form to the Company.

"**Relevant intermediary**" shall have the meaning ascribed to it in section 181 of the Companies Act 1967 of Singapore.

3. A proxy need not be a member of the Company. The Chairman of the Meeting, as proxy, need not be a member of the Company.
4. This instrument appointing a proxy(ies) must be submitted to the Company in the following manner: (a) if submitted by post, be lodged with the Company's registered office at Block 1002 Tai Seng Avenue #01-2536 Singapore 534409; and (b) if submitted electronically, the instrument must be submitted via email to sg.is.proxy@vistra.com, in each case, by **3.00 p.m. on 20 April 2026 (not less than 72 hours before the time appointed for holding the EGM)**.

A member who wishes to submit an instrument appointing a proxy(ies) by post or via email can download a copy of the Proxy Form from the Company's website and SGXNet, and complete and sign this Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

5. Subject to note 9, completion and return of the instrument appointing a proxy(ies) does not preclude a member from attending, speaking and voting at the EGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the EGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of the proxy, to the EGM.
6. The instrument appointing a proxy(ies) must, if submitted by post or electronically via email, be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must, if submitted by post or electronically via email, be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with section 179 of the Companies Act 1967 of Singapore, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
9. CPF Investors and SRS Investors: (a) may attend and cast their vote(s) at the EGM in person if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the EGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) Business Days before the EGM (i.e. by **3.00 p.m. on 14 April 2026**), and such CPF Investor and/or SRS Investors shall be precluded from attending the EGM.
10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the EGM (i.e. **3.00 p.m. on 20 April 2026**), as certified by CDP to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the EGM and vote thereat unless his/her/its name appears on the Depository Register 72 hours before the time appointed for the EGM.
11. Printed copies of the Circular will not be despatched to Shareholders, unless otherwise requested. Printed copies of the Notice of EGM and the Proxy Form have been despatched to Shareholders and are also available on the SGXNet at the URL: <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL: <https://thaivillagerestaurant.com.sg/investors>.

Personal data privacy: Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (a) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the EGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (c) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. The member's personal data and its proxy's(ies') and/or representative's(s') personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the Purposes, and retained for such period as may be necessary for the Company's verification and record purposes. Photographic, sound and/or video recordings of the EGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the EGM. Accordingly, the personal data of a member of the Company and/or its proxy(ies) or representative(s) (such as his/her name, his/her presence at the EGM and any questions he/ she may raise or motions he/she proposes/ seconds) may be recorded by the Company for such purpose.

PAVILLON HOLDINGS LTD.

(Company Registration No. 199905141N)

(Incorporated in the Republic of Singapore)

REQUEST FORM

8 April 2026

Dear Shareholders,

Circular to Shareholders dated 8 April 2026

Thank you for investing in Pavillon Holdings Ltd. (the "Company").

We are pleased to enclose a copy of the Notice of Extraordinary General Meeting ("EGM") and Proxy Form for the Company's upcoming EGM to be held on 23 April 2026 at 3.00 p.m. (or as soon as practicable immediately following the conclusion or adjournment of the AGM of the Company to be held at 3.00 p.m. on the same day).

In line with the Group's sustainability efforts, we will be discontinuing the practice of mailing the Company's Circular to Shareholders dated 8 April 2026 ("Circular"). Instead, the Company's Circular, will be available for download from the Company's corporate website from the date of this letter.

The Circular may be accessed the Company's website at the URL: <https://thavillagerestaurant.com.sg/investors/>. A copy is also available on the SGX website at www.sgx.com. You will need an internet browser and PDF reader to view the Circular.

We sincerely hope that you will join our sustainability efforts and embrace e-communications.

If you still wish to receive printed copy of the Circular, kindly complete the Request Form below and return it to the Company no later than 15 April 2026 to the following address to receive your Circular in time for the coming EGM:

Pavillon Holdings Ltd.
Block 1002, Tai Seng Avenue #01-2536,
Singapore 534409
E-mail: sg.is.proxy@vistra.com

By completing, signing and returning the forms to us, you agree and acknowledge that we and/or our service provider may collect, use and disclose your personal data, as contained in your submitted forms or which is otherwise collected from you or your authorised representative(s), for the purpose of processing and effecting your request.

Yours faithfully

Fan Bin (Mr)
Executive Chairman

PAVILLON HOLDINGS LTD.

(Company Registration No. 199905141N)
(Incorporated in the Republic of Singapore)

REQUEST FORM

To : Pavillon Holdings Ltd.

Please tick only one box. Incomplete or incorrectly completed forms will not be processed.

Personal data privacy

By submitting this request form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 8 April 2026.

[] I / We wish to receive a hard copy of the Circular dated 8 April 2026.

Name(s) of Shareholder(s): _____

NRIC/Passport Number(s): _____
(Last 4 characters)

Company Registration Number: _____

Mailing Address: _____

Signature(s): _____ Date: _____

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