



YAMADA GREEN RESOURCES LIMITED AND SUBSIDIARIES

(Company Registration Number 201002962E)
(Incorporated in the Republic of Singapore)

Yamada Green Resource Limited (the “Company”, and together with its subsidiaries, the “Group”) refers to the announcement dated 1 December 2024, entitled "Acquisition of land in Osaka Japan" released on SGXNet. The Company would like to provide the following information in response to the queries raised by the Singapore Exchange Securities Trading Limited on 3 December 2024.

Query 1

Please provide the relative figures that were computed on the bases set out in Listing Rule 1006.

Response to Query 1

The relative figures under Listing Rule 1006 based on the latest announced consolidated results are:

Rule 1006 (a)	Net asset value of the assets to be disposed of, compared with the group’s net asset value.	NA
Rule 1006 (b)	Net profits attributable to the assets acquired, compared with the group’s net profits	NA
Rule 1006 (c)	Aggregate value of the consideration given, compared with the Company’s market capitalisation based on the total number of issued shares excluding treasury shares	1.6% ⁽¹⁾
Rule 1006 (d)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	NA

Note

- (1) Based on the Aggregate Consideration of JPY33,300,000 (equivalent to approximately S\$297,203 based on the exchange rate of S\$1.00 : JPY0.0089) and the market capitalization of the Company of S\$18,711,000, determined by multiplying the number of shares in issue of the Company (of 176,518,164 shares) by the weighted average price of S\$0.106 of such shares transacted on 29 Nov 2024, being the full market day preceding the date of the transfer agreements.

Query 2

Pursuant to Listing Rule 1008(2), please disclose the following as required under Listing Rule 1010(3) and Listing Rule 1010(5) respectively:

- (a) The aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment.
- (b) The value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of.

Response to Query 2

- (a) The purchase consideration is amounting to JPY33.3 million (the “Purchase Consideration”). Yamada Green Resources Limited (“Purchaser”) paid a deposit of JPY1 million on 30 November 2024 upon the execution of the Sales and Purchase Agreement (the “SPA”). The remaining Purchase Consideration of JPY32.3 million will be paid to Vendor no later than 9 May 2025.

The Purchase Consideration for the Acquisition is derived on at an arm’s length and willing buyer willing seller basis.

- (b) The value of the assets being acquired is the Purchase Consideration of JPY33.3 million.

Query 3

Please disclose the identity of the Vendor and how the Company was introduced to this deal.

Response to Query 3

The Vendor, an unrelated party, 和光ホームズ株式会社 (Wakoh Homes), is a property developer which has been operated more than 40 years at Osaka. (website of the Vendor: <https://wakohhomes.com>)

The Company learned about the sales of the land from SUUMO, an online listing platform for buying/selling and leasing real estate which has been ranked number one real estate market place in Japan. The Company proactively contacted the Vendor for the purchase of land after carried out the internal assessment on the land.

Query 4

Please disclose the due diligence carried out by the Company in relation to the Acquisition.

Response to Query 4

The Company had sourced for available land/properties for sales through the online listing platform for buying/selling and leasing real estate, such as SUUMO (<https://suumo.jp>), Tokyu Livable (<https://www.livable.co.jp>), and Yahoo! 不動産 (<https://realestate.yahoo.co.jp>). In addition, the Company also contact property agent, Sumitomo Real Estate Sales and タイショウ (Taishou) to assist in the search for the available land/properties for sales.

The Company has in its search for a suitable land/property, visited many properties in selected areas in Osaka and has also conferred with property agents on their recommendations and opinions.

After much deliberations, the material property was shortlisted. The Company has conduct internal assessment on the target land by (i) inspection of the title documents; (ii) studying and considering the feasibility of the location, traffics conditions, and its surroundings; (iii) comparison of the advertised asking prices and transaction prices of similar land at the surrounding area; and (iv) conducting a background search for the owner of the land. After its assessment of the target land, the Company proactively contacted the owner for the negotiation and submit the proposal for Board approval.

Query 5

It is noted from the Company's annual report dated 14 Oct 2024 that, the Group had undertaken the strategic decision to wind down the processed food segment and as a result, the Company does not have any revenue derived from continuing operations in Japan. Please disclose the remaining operations of the Group and future plans of the Company, including the Group's operations in Japan.

Response to Query 5

The Company wish to clarify that the strategic decision to wind down the processed food segment is of our PRC subsidiary and the Japan subsidiary was only incorporated in August 2024.

It is stated in Page 4 of the Company's Annual Report that:

"From a bottom-line perspective, the processed food segment had also recorded receding gross profits over the past few years. Despite our adoption of a stable operational strategy which included regular product-line review to streamline loss-making or extremely low gross margin products, segmental performance did not improve. It is against this backdrop that the Group had undertaken the strategic decision to wind down the processed food segment. Resources would then be redirected to the investment properties segment which has reported healthy growth over the past few financial years."

"The management will also explore new business opportunities and potential acquisitions at overseas that are accreditive to the Group's long-term returns. Our Group have incorporated a wholly owned subsidiary at Japan in August 2024 to explore business opportunities in property leasing and food related business, which will serve as a complement to our existing business."

The Group will also continue to explore new business opportunities in PRC.

Query 6

Please disclose whether there are any material conditions attaching to the proposed Acquisition.

Response to Query 6

Material terms and conditions to the Acquisition which are reflected in the SPA:

- (a) If for any reason whatsoever, the Acquisition is not completed, due to failure of one party to comply with any of the terms and conditions, the other party may cancel the contract. In such event, an

amount of JPY6,660,000 (20% of the Purchase Consideration) shall be paid by the defaulting party to the other party as a penalty.

- (b) The Purchaser shall pay the remaining Purchase Consideration no later than 9 May 2025 and the Vendor shall transfer all the title, registered with transfer with the government authority and delivered the property to the Purchaser free from encumbrances on the date of receipt of the remaining Purchase Consideration.
- (c) The Company shall appoint 和光ホームズ株式会社 as the contractor for the construction of the buildings after the acquisition of the land.

BY ORDER OF THE BOARD

CHEN QIUHAI
Executive Director and Chief Executive Officer
5 December 2024