

**PAN HONG HOLDINGS GROUP LIMITED**  
(Incorporated in Bermuda)  
(Company Registration No. 37749)

**MINUTES OF ANNUAL GENERAL MEETING**  
**("AGM" OR "MEETING")**

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|----------------------------|--------------------------------------------------------------------------------------------------|
| <b>PLACE</b>               | : Meeting Room Queen I & II, Level 2, Mercure Singapore Bugis, 122 Middle Road, Singapore 188973 |
| <b>DATE</b>                | : Monday, 28 July 2025                                                                           |
| <b>TIME</b>                | : 10.00 a.m.                                                                                     |
| <b>PRESENT</b>             | : Per the attendance list maintained by the Company.                                             |
| <b>IN ATTENDANCE</b>       | : Per the attendance list maintained by the Company.                                             |
| <b>CHAIRMAN</b>            | : Mr Wong Sum                                                                                    |
| <b>CHAIRMAN OF MEETING</b> | : Mr Ng Keong Khoon (" <b>Chairman of the Meeting</b> ")                                         |

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**INTRODUCTION & QUORUM**

Mr Ng Keong Khoon ("**Mr Ng**"), the Lead Independent Director, was appointed as the Chairman of the Meeting.

As a quorum was present, Mr Ng declared the Meeting open and introduced the Directors present at the Meeting. It was noted that Ms Wang Cuiping (Executive Director and Group Chief Executive Officer ("**Group CEO**")) and Mr Chung Yiu Kwong Nixon (Independent Director) were unable to attend this Meeting and had expressed their sincere apologies.

**NOTICE**

The Notice convening the Meeting was taken as read.

**VOTING BY WAY OF POLL**

The Chairman of the Meeting had been appointed as a proxy by the shareholders and would be voting in accordance with their instructions. All resolutions at this Meeting would be voted by way of poll, in compliance with the requirement of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") that all listed companies conduct voting by poll for all general meetings.

As a rule, observers were not permitted to participate or vote at meetings and were therefore, not permitted to ask questions or propose any motion that comes before the Meeting.

The Chairman of the Meeting informed shareholders that B.A.C.S. Private Limited and CACS Corporate Advisory Pte. Ltd. had been appointed as Polling Agent and Scrutineer respectively.

**QUESTIONS & ANSWERS**

It was noted that as at the stipulated deadline for submission of questions ahead of the AGM set out in the Notice of AGM (i.e. 10.00 a.m. on 19 July 2025), the Company did not receive any questions from shareholders.

After addressing questions from the shareholders at the AGM which were substantial and relevant to the resolutions to be tabled for approval at the AGM ("**Summary of Q&A at the AGM**"), the Chairman of the Meeting then proceeded with the agenda of the AGM. The Summary of Q&A at the AGM is attached to these minutes as Appendix I.

## **ORDINARY BUSINESS:**

### **ADOPTION OF THE DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 – RESOLUTION 1**

The Meeting proceeded to receive and adopt the Directors' Report and Audited Financial Statements for the financial year ended 31 March 2025 ("**FY2025**") together with the Auditors' Report thereon.

The motion for Ordinary Resolution 1 was proposed by the Chairman of the Meeting.

### **RETIREMENT OF MS WANG CUIPING AS A DIRECTOR**

Item 2 of the Notice of AGM was to note the retirement of Ms Wang Cuiping as a Director of the Company pursuant to Bye-Law 86(1) of the Bye-Laws of the Company at the conclusion of the AGM.

Ms Wang Cuiping had served as an Executive Director of the Company since 14 August 2006 and was appointed as the Group CEO on 31 March 2020.

Ms Wang Cuiping did not seek re-election and retired as an Executive Director of the Company at the conclusion of the AGM. Concurrently, Ms Wang Cuiping stepped down as the Group CEO and Mr Wong Sum, the Executive Chairman of the Company, was appointed as the Group CEO.

Consequent to the aforesaid changes upon the conclusion of the AGM, the composition of the Board and its committees were as follows:

| Board of Directors       | Designation                      | <u>Audit Committee</u> | <u>Nominating Committee</u> | <u>Remuneration Committee</u> |
|--------------------------|----------------------------------|------------------------|-----------------------------|-------------------------------|
| Wong Sum                 | Executive Chairman and Group CEO | -                      | Member                      | -                             |
| Ng Keong Khoon           | Lead Independent Director        | Chairman               | Member                      | Member                        |
| Tan Kim Swee<br>Bernard  | Independent Director             | Member                 | Chairman                    | Member                        |
| Chung Yiu Kwong<br>Nixon | Independent Director             | Member                 | -                           | Chairman                      |

The Board expressed its heartfelt gratitude to Ms Wang Cuiping for her invaluable contributions and unwavering commitment in driving the Group's growth over the years.

### **DIRECTORS' FEES – RESOLUTION 2**

The Board had recommended the payment of Directors' fees of S\$116,000/- for the financial year ending 31 March 2026 ("**FY2026**"), to be paid quarterly in arrears.

The decrease in the proposed Directors' fees for FY2026 compared to FY2025 was due to the overlapping period for the appointments of Mr Tan Kim Swee Bernard and Mr Chung Yiu Kwong Nixon as Independent Directors of the Company with effect from 1 June 2024 prior to the retirements of Dr Choo Kian Koon and Dr Zheng Haibin as Independent Directors of the Company at the conclusion of the annual general meeting held on 26 July 2024.

The aggregate amount of Directors' fees provided in Ordinary Resolution 2 is calculated on the assumption that all other Directors would hold office for the whole of FY2026. Should any Director hold office for only part of FY2026 and not the whole of FY2026, the Director's fee payable to him would be appropriately pro-rated.

The motion for Resolution 2 was proposed by the Chairman of the Meeting.

### **RE-APPOINTMENT OF AUDITORS – RESOLUTION 3**

The Meeting was informed that the retiring Auditors, BDO Limited, Certified Public Accountants, Hong Kong, and BDO LLP, Public Accountants and Chartered Accountants, Singapore, had expressed their willingness to accept re-appointment.

The motion for Resolution 3 was proposed by the Chairman of the Meeting.

### **ANY OTHER ORDINARY BUSINESS**

As no notice of any other ordinary business has been received by the Secretaries, the Meeting proceeded to deal with the special business of the Meeting.

### **SPECIAL BUSINESS:**

#### **SHARE ISSUE MANDATE – RESOLUTION 4**

Ordinary Resolution 4 was to authorise the Directors to allot and issue shares pursuant to Rule 806 of the Listing Manual of the SGX-ST. The Meeting noted the text of the resolution set out under item 6 in the Notice of AGM on pages 125 and 126 of the Annual Report.

The motion as set out under item 6 of the Notice of AGM was proposed by the Chairman of the Meeting.

#### **THE PROPOSED RENEWAL OF SHARE PURCHASE MANDATE – RESOLUTION 5**

Ordinary Resolution 5 is to seek Shareholders' approval of the proposed renewal of the Share Purchase Mandate. The Meeting noted that the text of the resolution is set out under item 7 in the Notice of AGM on pages 126 and 127 of the Annual Report.

The rationale, authority and limitation, sources of funds to be used included the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate were set out in greater details in the Addendum.

The motion as set out under item 7 of the Notice of AGM was proposed by the Chairman of the Meeting.

### **POLLING**

Poll procedures were explained by the Scrutineer. After all the completed poll voting slips were handed to representatives of the Scrutineer, the Chairman of the Meeting suggested to take a 30-minute break at 11.25 a.m. while the Polling Agent and Scrutineer were counting and verifying the votes.

Shareholders were requested to assemble in the room at 11.55 a.m. or when the results of the poll for the AGM were ready.

The Meeting was called to order at 11.55 a.m.

## RESULTS OF POLL

Following the tabulation of votes as verified by the Scrutineer, the Chairman of the Meeting announced the results of the poll as follows:

| Resolution number     | FOR         |       | AGAINST   |      |
|-----------------------|-------------|-------|-----------|------|
|                       | Votes       | %     | Votes     | %    |
| Ordinary Resolution 1 | 335,208,794 | 100   | -         | 0    |
| Ordinary Resolution 2 | 335,208,794 | 100   | -         | 0    |
| Ordinary Resolution 3 | 335,208,794 | 100   | -         | 0    |
| Ordinary Resolution 4 | 333,984,994 | 99.63 | 1,223,800 | 0.37 |
| Ordinary Resolution 5 | 335,208,794 | 100   | -         | 0    |

Based on the results of the poll, the Chairman of the Meeting declared Ordinary Resolutions 1 to 5 carried, and it was:

### ORDINARY RESOLUTION 1

- **ADOPTION OF THE DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025**

"RESOLVED THAT the Directors' Report and the Audited Financial Statements for the financial year ended 31 March 2025 together with the Auditors' Report be received and adopted."

### ORDINARY RESOLUTION 2

- **DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 31 MARCH 2026, TO BE PAYABLE QUARTERLY IN ARREARS**

"RESOLVED THAT the Directors' fees of S\$116,000/- for the financial year ending 31 March 2026 be approved and that such fee be paid quarterly in arrears."

### ORDINARY RESOLUTION 3

- **RE-APPOINTMENT OF AUDITORS OF THE COMPANY**

"RESOLVED THAT BDO Limited, Certified Public Accountants, Hong Kong, and BDO LLP, Public Accountants and Chartered Accountants, Singapore, be re-appointed as Auditors of the Company at a remuneration to be determined by the Directors."

### ORDINARY RESOLUTION 4

- **SHARE ISSUE MANDATE**

"RESOLVED THAT pursuant to Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be given to the Directors of the Company to issue shares ("**Shares**") whether by way of rights, bonus or otherwise, and/or make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares at any time and upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit provided that:

- (a) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty percent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, of which the aggregate number of Shares and convertible securities to be issued other than on a pro rata basis to all shareholders

of the Company (“**Shareholders**”) shall not exceed twenty percent (20%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company;

- (b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under subparagraph (a) above, the percentage of issued shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the date of the passing of this Resolution, after adjusting for:
  - (i) new shares arising from the conversion or exercise of convertible securities which were issued and are outstanding or subsisting at the time of the passing of this Resolution;
  - (ii) new shares arising from exercising share options or vesting of share awards which were issued and are outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
  - (iii) any subsequent bonus issue, consolidation or subdivision of shares;
- (c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Bye-Laws for the time being of the Company; and
- (d) that such authority shall, unless revoked or varied by the Company in general meeting, continue in force (i) until the conclusion of the Company’s next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in accordance with the terms of convertible securities issued, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of such convertible securities.”

## **ORDINARY RESOLUTION 5**

### **- THE PROPOSED RENEWAL OF SHARE PURCHASE MANDATE**

“RESOLVED THAT:

- (a) the Company be and is hereby authorised to purchase or otherwise acquire issued and paid up Shares not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereinafter defined), whether by way of:–
  - (i) on-market purchases (each an “**On-Market Share Purchase**”) on the SGX-ST; and/or
  - (ii) off-market purchases (each an “**Off-Market Share Purchase**”) effected in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, and the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire Shares in the foregoing manner be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by ordinary resolution of the Company in general meeting, the authority conferred on the Directors pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Ordinary Resolution, and expiring on the earliest of:–
- (i) the conclusion of the next Annual General Meeting of the Company; or
  - (ii) the date by which the next Annual General Meeting of the Company is required to be held; or
  - (iii) the date on which the purchase of Shares by the Company pursuant to the Share Purchase Mandate is carried out to the full extent mandated (the “**Relevant Period**”).
- (c) in this Ordinary Resolution:–

“**Maximum Limit**” means 10% of the total number of issued and paid-up ordinary shares of the Company as at the date of the passing of this Ordinary Resolution (excluding any treasury shares that may be held by the Company from time to time and subsidiary holdings); and

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) not exceeding:–

- (i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price,

where:–

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days (“**Market Day**” being a day on which the SGX-ST is open for securities trading), on which transactions in the Shares were recorded, before the day on which the On-Market Share Purchase was made or as the case may be, the day of making of the offer for an Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchases are made; and

“**day of making of the offer**” means the day on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase; and

- (d) the Directors and each of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they/he/she may consider necessary, desirable, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution.”

## **CONCLUSION**

There being no other business to transact, the Chairman of the Meeting declared the AGM of the Company closed at 12.00 p.m. and thanked everyone for their attendance.

Confirmed as True Record of Proceedings held

Ng Keong Khoon  
Chairman of the Meeting

**PAN HONG HOLDINGS GROUP LIMITED**

(the “**Company**”, together with its subsidiaries, the “**Group**”)

(Incorporated in Bermuda)

(Company Registration No: 37749)

**ANNUAL GENERAL MEETING HELD ON 28 JULY 2025**

**Questions and Answers**

**Question 1:**

Shareholder

No dividend had been declared for the past few years and the Company’s share price has been decreasing. Please provide an update on the Group’s operations and status.

**Answer 1:**

Wong Sum

Executive Chairman

The Group had completed its Run Hong Yuan project in the first quarter of 2025 and its Shanwei Project was under design and planning stage.

Given the current challenging real estate market in China and macroeconomic environment, Management would continue to closely monitor the effects of government policy changes and market trends.

The Group had gone through several rounds of price adjustments for its projects to be more marketable and would continue to focus on marketing its remaining inventory of Run Ze Yuan and Run Hong Yuan.

It was focused on risk management, particularly on the Group’s financial and operational stability, to prevent it from facing financial strains rather than comparing performance with its peers. None of its projects were abandoned or unfinished, which would be the most damaging outcome for the Group’s stakeholders.

While the Company does not have a policy on payments of dividends, the form, frequency and amount of dividends, if any, will take into consideration the Group’s profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. The Company endeavours to pay dividend and where dividends are not paid, the Company would disclose its reason(s) accordingly. No dividend was declared for FY2025 in order to retain fund for the Group’s daily operations.

**Question 2:**

Shareholder

Please clarify if all sales revenue from the Run Ze Yuan project, which was 51% sold, had been fully collected.

While the previous financial statements for the financial year ended 31 March 2024 (“**FY2024**”) indicated that 74% of Run Hong Yuan project’s units had been sold, the annual report for the financial year ended 31 March 2025 (“**FY2025**”) shows only 28% sold and delivered. With respect thereto, please clarify whether the difference of 46% represents unrecognised revenue of units that were sold.

**Question 2 (cont'd):**  
Shareholder

With respect to the Group's current liabilities of approximately S\$200 million, please clarify whether this amount includes any revenue from sold units that has not yet been recognised. If so, please advise if such revenue is expected to be recognised during the financial year ending 31 March 2026 ("FY2026").

With reference to the qualified opinion of the Company's audited financial statements for FY2025 from its external auditors, which highlighted potential cash flow issues unless the Group liquidate its unsold inventory. In light of this, please advise the Group's plan to continue its operations as a going concern.

**Answer 2:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

As the two projects had been completed and all sales or revenue recognised would be reflected in the financial statements, the sales figures were not disclosed separately. Previously disclosed figures were mainly related to pre-sale projects which are not yet reflected in the financial statements.

With regard to Run Hong Yuan project, 35% of gross floor area were restricted for sale within a timeframe of 8 years from 2020. As such, the restriction would be released by 2028.

As of end of July 2025, the numbers of unsold units were around 300 units for Run Ze Yuan and 40 units for Run Hong Yuan (among the sellable units without restriction).

**Question 3:**  
Shareholder

Please advise whether the Group is prepared to reduce its selling prices in order to sell the remaining units of the completed properties.

**Answer 3:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

The Group was making its best efforts to balance its cash flow and the selling prices of property units. While further price cuts could lead to reduction of profit or even losses, any decision to lower prices is taken very seriously. Should the Group decide to reduce prices, the sales campaign would target less desirable units such as those on lower floors or with poor view or daylighting which might be offered at lower prices. The Group would continue to aim for profitability on more desirable units. However, if market conditions deteriorate further, the Group would need to reconsider its pricing strategy more broadly.

**Question 4:**  
Shareholder

Thank you to the Chairman's family for extending loan to the Group to tide over the current challenging period.

Please advise if there is any strategy to ensure the Group's survival this year, given the financial challenges, the availability of its completed inventory and potential cash flow issues as and when the bank loans fall due.

**Answer 4:**  
Wong Sum  
Executive Chairman

Due to difficult market conditions, price reductions are not unique to the Group but across China. It was important to balance pricing strategy with cash flow needs. The Group targets to reduce prices for less desirable units while aiming to sell better units at a profit. The Group's measures to improve its cash flow include the following:

- Strategic pricing of completed units;

**Answer 4 (cont'd):**  
Wong Sum  
Executive Chairman

- Cutting down and minimising headcount costs, including sales and marketing expenses staff cost and expenses reductions;
- Leveraging on long-standing relationships with contractors to extend payment period; and
- Engaging with banks to explore loan extensions.

The Group is trying its best to survive. It has the advantage of having completed projects and no exposure of an unfinished ongoing development.

**Question 5:**  
Shareholder

Please provide visibility on when the sales revenue would be recognised.

**Answer 5:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

A significant amount of unrealised revenue would be realised in FY2026. The Company was not able to disclose the amount due to sensitivity of such information.

Separately, please be clarified that the Independent Joint Auditors of the Company, BDO LLP and BDO Limited (the “**Joint Auditors**”), have in its Independent Joint Auditors’ Report dated 30 June 2025, included an unmodified opinion with Material Uncertainty Related to Going Concern for the Group’s audited financial statements for FY2025, instead of a qualified opinion.

**Question 6:**  
Shareholder

Please confirm that the accounting policy provides for revenue to be recognised revenue when the keys of the properties sold are being delivered to the buyers.

**Answer 6:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

Yes, the accounting policy on revenue recognition as set out on pages 78 and 79 of the Annual Report for FY2025 provides that revenue from contracts with customers is recognised when control of goods or services is transferred to the customers.

**Question 7:**  
Shareholder

Please advise the current selling price of the Group’s property units and whether it remains profitable after providing discounts to selling prices, taking into consideration its historical costs.

**Answer 7:**  
Wong Sum  
Executive Chairman

It was noted that many properties (of other developers) are being sold at significant discounts in the market, sometimes at a discount of 20% to 50% in order to generate cash flow. Nonetheless, it is also important to consider the location, design and quality of the property units. The market price is the result of complex factors.

**Answer 7:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

The pricing strategy is highly sensitive and cannot be disclosed publicly. Nonetheless, the Group would need to strike a prudent balance between its cash flow needs and the selling prices of property units dynamically. At this moment, the Group could not confirm whether or how it would adjust the selling prices of its property units in the near future. However, it would continue to prioritise its ability to continue as a going concern.

**Question 8:**  
Shareholder

The shareholder expressed personal optimism about the future of the property market and invited Management to share their insights, acknowledging that their industry experience may offer a more informed perspective.

**Answer 8:**  
Wong Sum  
Executive Chairman

While significant discounts are common in the current market, including distressed sales at 50% to 60% off, pricing decisions must be carefully balanced. The Group must consider existing homeowners who purchased at higher prices, as drastic reductions could trigger widespread complaints and impact reputation.

It is a complicated pricing model in China as pricing strategy involves multiple factors, including unit type, timing of launches, and competitor activity. Management is closely monitoring market developments and would adjust pricing and product offerings accordingly.

While it is difficult to predict the future market outlook, the Group remained confident in its competitive position. Unlike many developers, the Group has consistently focused on residential real estate and maintains strong control over design, cost and compliance. The Group does not have any unfinished project that is undergoing development and continues to time its new launches prudently, aiming to make responsible strategic decisions for shareholders and manage its cash flow responsibly.

**Question 9:**  
Shareholder

The directors of the Company had considered the Group's cash flow forecast covering a period of twelve months from the end of the reporting period (the "**Forecast Period**") and were of the opinion that, taking into account the plans and measures set out on page 77 of the Annual Report for FY2025, the Group would have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the Forecast Period (subject to inherent uncertainties associated with the outcomes of the aforementioned plans and measures mentioned in page 78). As part of the plans and measures, the Group would implement a pricing strategy to accelerate property sales to generate operating cash inflows.

Please provide an update on progress regarding the pricing strategy and sales status as it has been three weeks since the date of the audited financial statements.

**Answer 9:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

As mentioned in Answer 7, the Company is unable to disclose the pricing strategy and sales figures publicly. However, sales of certain number of property units had taken place since the date of the audited financial statements.

**Question 10:**  
Shareholder

The Group reported a commendable gross profit margin of 21%, especially in comparison to peers experiencing significant losses. Is the Group currently operating with a positive margin or is it breaking even?

**Answer 10:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

The Group has gradually reduced its selling prices for the property units over time. Although it reported a positive margin in FY2025, an impairment loss for a portion of its properties held for sale according to the selling prices recorded subsequent to FY2025 had been recognised. Therefore, future profitability cannot be guaranteed due to market uncertainties.

**Question 11:**  
Shareholder

Please provide the outcome of the Group's discussions with major contractors and whether agreements had been reached to defer payments or negotiations were still ongoing.

**Answer 11:**  
Wong Sum  
Executive Chairman

The Group had reached written agreements with certain major contractors and creditors for deferred payment terms.

**Question 12:**  
Shareholder

Over FY2025, the Group experienced a significant cash outflow of approximately RMB252 million, as reflected in its cash flow statement. This financial strain led to considerable pressure, prompting creditors to agree to a deferral of certain liabilities. Is that understanding correct?

**Answer 12:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

As mentioned by the Executive Chairman, the Group had reached a written agreement with one of its major contractors for deferred payment.

For the decrease in other payables, accruals and contract liabilities of RMB251,724,000 recorded in the consolidated statement of cashflows during FY2025, a major source of movement comes from the recognition of revenue from contract liabilities upon transfer of control of property unit of Run Hong Yuan during FY2025, representing a change in working capital with no cash flow effect.

**Question 13:**  
Shareholder

The controlling shareholders have an interest of 64.45% in the Company and the Company has a book value of SGD0.37 per share compared to a market price of approximately SGD0.08. In view of the significant discount between its book value and current share price, please advise whether the Board considered privatisation and provide a fair exit offer price to the shareholders of the Company.

Separately, please advise whether there are any additional financing options currently available.

**Answer 13:**  
Wong Sum  
Executive Chairman

Debt financing remains a complex and sensitive topic, particularly in the current climate. Real estate and development loans, especially those where rental income is the primary repayment source (referred to as business property mortgage), are under heightened scrutiny.

While macroeconomic and government policies may appear to be easing, the reality at the individual bank level is more complicated. Relationship Managers at banks carry significant responsibility when approving loans. If a loan becomes non-performing, the accountability falls on both the bank and the Relationship Manager involved. This makes banks more cautious, even in a seemingly relaxed policy environment. Although the Group is in a relatively stronger financial position compared to many other developers in China, the lending environment remains challenging across the industry.

Despite these challenges, the Group is actively engaged in discussions with several banks and currently maintains relationships with a few bankers to explore financing opportunities.

**Question 14:**  
Shareholder

Please advise who the Group's current bankers are.

**Answer 14:**  
Wong Sum  
Executive Chairman

The Group's bankers are Bank of Communications and Industrial and Commercial Bank of China (ICBC).

The Group is currently in discussions with a state-owned bank, which is known for having the strictest risk management policies when it comes to lending. If the bank decides to extend a loan to the Group, it would be a strong indicator of its relatively better financial standing compared to other developers. However, no guarantees can be made regarding the amount or approval of the loan. While the Group is in a favourable position, the final decision rests with the bank, and their internal risk assessments will ultimately determine the outcome.

**Question 15:**  
Shareholder

Please advise whether there are any other sources of financing other than bank loans.

**Answer 15:**  
Wong Sum  
Executive Chairman

Taking into account factors of the chance of success, interest rates, acceptance of collateral, the Group still consider bank loans as the most suitable way of financing.

**Question 16:**  
Shareholder

The Group could also consider an alternative strategy of selling the piece of land in Shanwei. Following that, the remaining two projects could be sold before returning the proceeds to shareholders of the Company. This approach offers a practical and dignified exit, without any loss of credibility.

The Group would still retain its presence through Sino Harbour Holdings Group Limited in Hong Kong. As there are multiple viable paths forward, continuing operations indefinitely is not the only option. The decision to move on should not be tied solely to the Company's founding legacy.

**Answer 16:**  
Wong Sum  
Executive Chairman

The Group is currently navigating a challenging period, with the aim of enduring through the crisis. This resilience could position the Group to capitalise on recovery opportunities once market conditions improve.

**Question 17:**  
Shareholder

Kindly advise the reason for Mr Chung Yiu Kwong Nixon ("**Nixon Chung**")'s absence at the AGM.

**Answer 17:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

Mr Nixon Chung has another ad hoc personal engagement and therefore was not able to join the AGM.

**Question 18:**  
Shareholder

With reference to the tax effect on non-deductible expenses on page 93 of the Annual Report for FY2025, the tax effect was about RMB3.5 million. The gross value is about RMB14 million. Please clarify the non-deductible expenses for tax.

**Answer 18:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

The non-deductible expenses mainly come from a written down of properties held for sale during FY2025, which is not tax-deductible.

**Question 19:**  
Shareholder

With reference to page 102 of the Annual Report for FY2025 relating to the properties held for sale, please provide an update on the status of the completed properties held for sale amounting to RMB914 million.

**Answer 19:**  
Wong Sum  
(Executive Chairman)

There were ongoing sales but the Company is unable to disclose the figures due to price sensitivity information.

**Question 20:**  
Shareholder

Please provide confirmation that the Group would survive for FY2026. Are we expecting a loss in FY2026?

**Answer 20:**  
Wong Sum  
Executive Chairman

We will try our best to survive.

**Answer 20:**  
Tan Kim Swee Bernard  
Independent Director

The Board is trying to strike a balance between not disclosing potentially price sensitive information that is not publicly disclosed.

**Question 21:**  
Shareholder

Some of the Group's properties held for sale were provided as collateral for external financing. With reference to Note 31 – contingent liabilities on page 109, please advise if any contingent liability has arisen since 30 June 2025 due to the current challenging situation in China.

**Answer 21:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company Secretary

There was no monetary outflow with respect to the contingent liabilities concerned since 30 June 2025.

**Question 22:**  
Shareholder

The Company previously provided the cumulative results for the pre-sale of properties under development in its results announcements and/or annual report. Following the completion of the Company's properties, the Company no longer provides such information.

For shareholders' information, it would be appreciated that the percentage of properties sold for the completed property units could be presented in the Company's results announcement and/or annual report.

**Answer 22:**  
Wong Sum  
Executive Chairman

The Board would consider and discuss internally.

**Question 23:**  
Shareholder

Is Bank of Communications a state-owned bank?

**Answer 23:**  
Wong Sum  
Executive Chairman

Yes, Bank of Communications is a state-owned bank.

**Question 24:**  
Shareholder

Please advise whether Ms Wang Cuiping remains as an employee of the Group after retiring as an Executive Director of the Company and stepping down as the Group Chief Executive Officer (“**Group CEO**”) at the conclusion of the AGM.

Separately, please advise whether Mr Wong Sum is able to and has been adequately carrying out his duties in the Company despite having multiple board representations on other companies and other principal commitments, having regard to the competing time commitments that are faced when serving on multiple boards and other principal commitments.

**Answer 24:**  
Wong Sum  
Executive Chairman

Ms Wang Cuiping would cease as an Executive Officer (as defined in the listing manual of the Singapore Exchange Securities Trading Limited) but remain as a Senior Consultant of the Group due to her extensive experience in real estate.

As I am not involved in the day-to-day operations of the other companies where I hold board positions and only attend meetings as required, my multiple board representations do not hinder my ability to perform my duties as a Director of the Company. I am therefore able to devote sufficient time and attention to the affairs of the Group.

**Answer 24:**  
Ngai Ting Fung  
Group Financial Controller  
and Joint Company  
Secretary

As part of succession planning in 2020, Mr Wong Lam Ping resigned as the Executive Chairman and Group CEO. Concurrently, Ms Wang Cuiping was appointed as the Group CEO and Mr Wong Sum was appointed as the Executive Chairman.

Following the transition period, Ms Wang Cuiping expressed her intention to retire as an Executive Director of the Company and step down as the Group CEO at the conclusion of the AGM due to health reason. In addition, Ms Wang Cuiping, 61, has also exceeded the retirement age in China. Nonetheless, she would remain as a Senior Consultant of the Group due to her extensive experience in real estate and provide advice on major decisions, when required.

**Question 25:**  
Shareholder

With respect to the Group’s equity interest of 16.6% in Zhejiang Gene Stem Cell Biotech Company Limited (“**ZGSCBCL**”) on page 102 of the Annual Report for FY2025, there was a decline in fair value of this unlisted equity investment. Please advise the Group’s intention of this investment and its financial performance.

**Answer 25:**  
Wong Sum  
Executive Chairman

The major shareholder of ZGSCBCL had discussions with the Group regarding the acquisition of the Group’s equity interest in ZGSCBCL several years ago, but the transaction did not materialise. The Group would continue to closely monitor its investment in ZGSCBCL and currently has no intention of increasing its equity interest.

Notwithstanding the above, the Group would consider a potential divestment should a suitable offer arise.

**Question 26:**  
Shareholder

Please advise whether the Group has any representative on the Board of ZGSCBCL, and whether its annual reports were provided to the Group.

**Answer 26:**  
Wong Sum  
Executive Chairman

ZGSCBCL's annual reports were provided to the Group and there were discussions with its management. ZGSCBCL break even last year and had a slight loss this year.

**Question 27:**  
Shareholder

Please provide the rationale for appointing joint auditors as the Company could potentially incur cost saving if it only appoints an auditor. In addition, please provide the roles of BDO LLP and BDO Limited with respect to the audit of the Group.

**Answer 27:**  
Ng Keong Khoon  
Lead Independent Director

As BDO Limited is not registered with the Accounting and Corporate Regulatory Authority in Singapore, based on the listing rules of Singapore Exchange Securities Trading Limited ("SGX-ST"), the Company had appointed BDO LLP to act jointly and severally with BDO Limited as its joint auditors. In practice, Singapore-registered auditors generally are unable to audit Chinese companies in China directly due to regulatory and operational restrictions imposed by Chinese authorities.

**Answer 27:**  
William Ng Wee Liang  
Audit Partner from BDO  
LLP

The Company, incorporated in Bermuda and listed on the SGX-ST, was initially audited by only BDO Limited, which covered both the Company and its subsidiaries and associated companies which were incorporated in China. Due to amendments in the SGX-ST Listing Manual, it was mandated that an auditor registered with the Accounting and Corporate Regulatory Authority in Singapore must audit an issuer listed on the SGX-ST.

The Company, incorporated in Bermuda and listed on the SGX-ST, was initially audited solely by BDO Limited, which covered both the Company and its subsidiaries and associated companies incorporated in China. Previously, there was no requirement for a Singapore-based auditor to be involved. However, following amendments to the SGX-ST Listing Manual, it became mandatory for an auditor registered with the Accounting and Corporate Regulatory Authority in Singapore to audit any issuer listed on the SGX-ST. This regulatory change led to the appointment of BDO LLP to act jointly and severally with BDO Limited as the Group's joint auditors to ensure compliance with the updated listing requirements.

BDO Limited continues to audit the China entities, while BDO Singapore is primarily responsible for the group-level audit and reviews BDO Limited's work and issues a joint audit opinion at the consolidated group level. In terms of cost, there is no significant difference, as BDO LLP does not directly audit the China entities. The China audit is still conducted by either BDO Limited or BDO China, depending on the arrangement. Therefore, even if only one auditor was appointed, the cost would remain largely unchanged due to the need for a qualified local firm to perform the China audit.