



APPENDIX A

RESPONSE TO QUESTIONS FROM SHAREHOLDERS AND SIAS

Questions	Company Response
Expansion Plan and Associated Capex	
<p>1. Can the Company summarise and update shareholders on its expansion plans for next 3-5 years (2026 - 2030) and the associated capex expected yearly so that shareholders can better follow the Company's exciting growth trajectory?</p> <p>Just to name a few big-ticket items that the company mentioned in its latest Annual Report:</p> <ul style="list-style-type: none"> (i) Gurugram land development - residential land conversion costs as well as health-hub development costs. When will these associated costs be incurred in 2025 or 2026? (ii) Nespresso store expansion from 2025 onwards. How many more stores does the company intend to open in the next few years and what does the company mean when it is projected to turn profitable in 2027? (iii) 20-30 DJI stores expansion from 2026 to 2028? Why is the company expanding so aggressively and how much is the company spending on each of these stores and the associated inventory? (iv) Drone manufacturing under Bharat Skytech? What is our expected capex from 2025 onwards? (v) Store expansion plans in China (to maintain our double-digit growth rate) (vi) any other big investments and plans under lifestyle or new investments? 	<p>The Group reviews its business plans and capital expenditure budgets as part of its annual planning process taking into account the medium-term growth plans submitted by the respective divisions. Any planned capital expenditure is reviewed and approved by the Investment Committee and the Board before any implementation. The Investment Committee follows a disciplined approach on investment allocation and only approves when risk-adjusted hurdles are met. The execution of such key initiatives is regularly monitored to ensure compliance with the overall business plans and medium and long-term objectives of the Group.</p> <p>(i) The business plan for Gurugram project along with associated risk and mitigants have been reviewed and approved by the Investment Committee and the Board. The plan has been developed after a detailed study of the market, regulatory framework, demand assessment, cost estimates, revenue projections and funding requirements, among other relevant parameters. This ensures that the project assumptions, capital outlay and implementation framework are appropriately considered before any financial commitments are made.</p> <p>Based on current estimates, the overall regulatory costs including residential land conversion costs and development cost for health-hub are within the expected range for the financial feasibility of the project.</p> <p>However, the actual conversion costs shall be ascertained based on the final commercial terms agreed with incoming partners, the development plan approval as per the relevant local regulations and the applicable charges at the time of conversion application. Further, these costs are expected to be incurred progressively across FY2027 and FY2028.</p> <p>Similarly, the development cost for the Wellness Centre will depend on the regulatory approvals, final size of development, building plan approvals and prevailing cost estimates at the time of commencement of development. Based on current planning estimates, the development</p>



costs for the Wellness Centre would be incurred over a construction period of approximately 4 years. Substantial portion of this cost shall be funded through local construction finance. For the hospital component, it is proposed that the development costs may also be borne/shared by the operator for the hospital, based on the final terms of the agreement. The Group's intention is to transfer or share development and construction risk and costs for the hospital component to the selected operator. Subject to the necessary regulatory approvals and project readiness, the health-hub development is expected to commence in H2 FY2027 or FY2028.

- (ii) The Group prepares an annual operating plan that sets out the operational roadmap as well as the associated capital and operating expenditure budgets. This has been implemented for Nespresso Business as well. The business plans including future retail expansion gets formulated on an annual basis in consultation with the brand principals considering market feedback and business performance. The Group continues to develop the Nespresso business in India through its retail, online and B2B channels. While the Group plans to set up 2 -3 stores on an annual basis, the same shall be implemented subject to market demand, business performance and in consultation with the brand principals. As previously disclosed, the business is expected to achieve profitability in FY2027.
- (iii) As previously disclosed, the Group plans to set up 20–30 DJI stores across India and other South Asian countries over 2–3 years starting from 1H 2026. The rollout will be phased, and the related investment is part of the current business plans. This proposed expansion will take DJI brand closer to consumer without substantially increasing the inventory holdings.
- (iv) Drone manufacturing in Bharat Skytech remains in the development phase. Investment is expected to be phased progressively. Necessary capital expenditure related to plant, machinery and other infrastructure has already been done with production expected to commence by May 2026, subject to final regulatory approval. Further capacity expansion plans will be undertaken in FY 2027 based on the progress made and further market assessment. We do not foresee substantial costs, regarding this project.



	<p>(v) The Group will continue to develop its Beauty & Fragrance business in Greater China through its existing channels and brand portfolio, including mono-brand stores and counters, multi-brand beauty retailers, concept stores and e-commerce platforms, while continuing to pursue selective new brands, measured store expansion and productivity improvements across the existing network. The Group has delivered double digit growth for this segment over the last few years with minimal capital outlay and will continue to manage capex accordingly.</p> <p>(vi) The Group continues to see strong growth and shall review opportunities on an on-going basis.</p>
<p>2. With such a long list of capital needs, kudos to the board for its far-sighted plans and execution on its funding needs. Is the current S\$150m MTN sufficient? Does the board have further plans to raise capital?</p>	<p>With the MTN in place, this gives the Group sufficient headroom to stay on course with its medium-term strategy. At the same time, the Group remains committed to evaluate any growth opportunities that may require it to raise further capital. There are no such immediate plans in the near future other than the approvals being sought at the EGM.</p>
<p>3. With the Company embarking on drone parts and drone manufacturing in India, how does this affect its distributorship relationship with DJI?</p> <p>As the Company is mostly distributing DJI accessories (quote from AR: digital action cameras, gimbals, broadcasting and cinematography equipment, as well as other audio- visual products), can shareholders assume that distributing DJI drones are not a key business segment for the company? Is there good synergy with its current DJI distributorship?</p>	<p>The Group's DJI distributorship and its drone-related activities in India are complementary.</p> <p>While the Group's DJI relationship covers both drone and non-drone product categories across its South Asian markets, in India the portfolio is currently limited to non-drone products due to regulatory constraints on the import and distribution of foreign drones.</p> <p>This also presents as an opportunity to capitalise on the emerging domestic drone industry in India. Our initiatives with Skylark Drones and Bharat Skytech are catered to this market gap.</p>



Lifestyle Segment	
4. The lifestyle segment has delivered S\$14.8m profits on less than S\$5m equity. Can management help shareholders appreciate the value of this segment? Can this segment be run independently from Thakral (perhaps as a separate listco)?	<p>As stated in our full year results announcement, we are anticipating around 25% growth in our Lifestyle business for FY2026 and continue to see strong growth in the years ahead. We will continue our efforts to further communicate the segment's performance to investors and shareholders.</p> <p>It is an independently run unit with its own management team with domain expertise that has strengthened over time and is committed to superior risk adjusted long term returns. The Group remains committed to explore any value unlocking opportunities on an on-going basis.</p>
Recurrent Operating Earnings	
5. Can management provide a breakdown of 'recurrent' vs 'non-recurrent' earnings for the past 3 years (if we strip away the fair value gains from IPOs and currency fluctuations) so that investors can value the company on a PE basis rather than on a discounted NAV basis? (& if possible, list out rental income from Japan, dividend income from GemLife etc)	<p>We refer you to slide 29 of our latest presentation where we have shown the recurring earnings in colour and non-recurring in dotted lines.</p> <p>Core net profit (deducting one-off gains from IPOs of investee companies) came in at S\$42.4 million for FY2025.</p>
Investment Criteria & Internal Rate of Return ("IRR")	
6. On a listed entity basis, what is the minimum Internal Rate of Return (IRR) the Company requires before considering an investment?	The management consistently challenges itself to deliver strong risk adjusted returns and identify ways to re-cycling capital efficiently. The Group targets to achieve mid-teen returns. However, for strategic investments, it takes a longer-term view to deploy patient capital for achieving the long-term objectives. For example, Nespresso distributorship for India is part of such strategic investment.
7. Are there different IRR requirements for each of the industries in which Thakral is involved?	Yes, we have a matrix for returns based on the internally assessed risk.
8. Could you provide a breakdown of the required IRR for the following segments: - Retail (China) - Retail (India) - Property (Gurugram Land) - Drone Manufacturing	<p>For retail/distribution business, the IRRs are higher, since the equity capital utilised is low.</p> <p>Our target returns for the Gurugram property project is competitively benchmarked based on a blend of stabilised income yielding real asset and asset monetisation through sale of residential project. Given the long-term project development cycle, we will continuously evaluate our strategy to maximise returns.</p>



Drone manufacturing is new as such the Group will continuously evaluate and refine our strategy to maximise returns.

Questions from SIAS

9. **SIAS Q1.** The company has been listed on SGX since December 1995 and marked its 30th year of listing in 2025. This milestone coincided with significant corporate developments that unlocked value for shareholders, including the listing of GemLife on the ASX and Beauty Tech Group on the LSE.

Profit attributable to shareholders amounted to \$170.9 million in FY2025, driven largely by these successful listings.

- (i) Given that the group holds non-controlling stakes in these investees, how does the board and management support value creation post-listing, and what is the strategy and timeline for monetising these investments now that they have matured into listed companies?
- (ii) With respect to the group's involvement in drone development and production in India, what key risks have been identified, and does the group possess the necessary in-house capabilities in manufacturing? How does this initiative align with the group's existing skillsets, operational experience, and track record?
- (iii) In relation to the mixed-use development in Gurugram, where the group holds a 13.64% stake, what is the extent of the group's involvement in planning and decision-making, and what governance safeguards, including information barriers and approval protocols, are in place to ensure that the group is not committed to capital or obligations without appropriate shareholder approval? (See SIAS question 3)

(i) For GemLife, Mr. Ashmit Singh Thakral, who is an Executive Director of the Company, also serves as CFO of GemLife and contributes to the overall financial management for GemLife. His role helps ensure that growth initiatives are backed by prudent financial planning and efficient capital allocation. Mr. Inderbethyl Singh Thakral ("**Mr. Bethal**"), who is an Executive Director and the CEO of the Company, is also a Board member of GemLife. Mr. Bethal, in his capacity as a Board member contributes towards strategic initiatives and overall growth trajectory of the business for long-term value creation objectives of GemLife.

GemLife listed specifically to secure the funding required to unlock its full potential. Following their recent earnings forecast, which indicates a very strong return, the Group remains confident that the business has significant room for further growth. Consequently, the Group is maintaining this investment as a core long-term hold, and remains as a significant shareholder of GemLife.

For The Beauty Tech Group plc ("**TBTG**"), the Group's interest is now primarily that of a financial investor, following the listing and the maturing of the business as a public listed company. The Group continues to monitor its investment from a shareholder perspective; however, the company's operations are managed by TBTG's board and management.

Despite having placed down over 3% of the Group's shareholding in TBTG, it believes the market has yet to fully price in the company's growth momentum and based on the company's recent strong results it anticipates further valuation upside.

Accordingly, the Group's value-creation strategy is focused on holding the investment as a financial holding, while retaining flexibility to tap into monetisation opportunities over time, taking into account business performance, market conditions, valuation, liquidity and overall capital allocation priorities.



	<p>(ii) While the Group entities in India possess manufacturing expertise, it has thoroughly assessed the risks and respective mitigants before entering in to manufacturing of drones. Some of the assessed risks include regulatory framework, availability of supply chain, manufacturing expertise, market demand assessment, distribution alignment, after sales support, customer service, prospective buyer profile, commercial terms, etc. Through its group entities, over the past few years, the Group has studied the drone ecosystem including supply and manufacture of drone/ drone components and various stakeholders involved in this industry. Based on its key learnings, the Group has deliberately adopted a measured pace to ensure operational excellence. This cautious approach is a strategic choice as it ensures that our manufacturing framework is both scalable and robust from the outset.</p> <p>(iii) The Group participates in key strategic business matters and approval of budgets. Appropriate mechanisms and monitoring frameworks are in place to ensure that any significant strategic decisions, budgetary allocations and expenses are undertaken with prior approvals from the Group. This ensures that the Group is not committed to capital or obligations without its prior approval.</p>
<p>10. SIAS Q2. The company announced on 8 April 2026 that it sold 2,367,500 treasury shares through SAC Capital Private Limited to Lion Global Investors Limited and ICH Synergrowth Fund at \$1.80 per share, for an aggregate consideration of \$4.26 million via an off-market married deal.</p> <p>(i) Can management explain how the purchasers were identified and selected, what process was undertaken to source and evaluate potential investors? What was the role of SAC Capital Private Limited in this transaction?</p> <p>(ii) How did the board and management assess the sale price of \$1.80 per share relative to the net tangible asset per share of \$2.60, and what alternative funding options were considered to ensure that shareholder value was not diluted or transferred to the new investors?</p>	<p>(i) SAC Capital Private Limited (“SAC”) was appointed by the Company to introduce prospective buyers to acquire up to 2,367,500 treasury shares. The Purchasers were identified by SAC and in addition, SAC also facilitated the off-market married deal by liaising between the Company and the purchasers.</p> <p>(ii) The sale price of S\$1.80 per share was based on a willing buyer and willing seller negotiation. Due to general market sentiments, the Company’s shares, as well as the shares of many other companies listed on the SGX-ST, have been trading at a discount to NTA, and hence comparison with market price is considered more practicable than NTA-based benchmarking. The sale of the treasury shares was intended to enhance free float and broaden the shareholder base of the Company to include institutional investors, and the Company took this into consideration during the negotiations. The sale price of S\$1.80 per share is competitive without much impact to shareholder value.</p>



Questions from SIAS (Cont'd)

11. **SIAS Q3.** The company is proposing to make an additional acquisition of 81.64% stake in TIL Investments Private Limited for a consideration of \$93.9 million, including \$50 million in cash and the balance in new shares.

The new consideration shares will be issued at \$1.8128 per share to Thakral Mauritius, which is an entity wholly-owned by Thakral Group Limited. This transaction constitutes both a major transaction and an interested person transaction under SGX listing rules. TIL owns a parcel of land in Gurugram, India, and intends to develop a mixed-use project, including a hospital, in partnership with a developer and operator.

The announcement can be found here:

https://links.sgx.com/FileOpen/ThakralCorp_Annmt_TIL_Acqn_SPAs_20260123.ashx?App=Announcement&FileID=872977

- (i) Can the independent directors elaborate on the scope and findings of the due diligence conducted on the land, development plans, and underlying assumptions, including regulatory, execution, and market risks associated with the project?
- (ii) How did the independent directors assess the valuation and terms of the transaction, including the issuance of consideration shares at \$1.8128 per share which is more than 30% discount to the reported NAV per share?
- (iii) How does the board assess the impact of this transaction on the group's overall risk profile, including exposure to development risk, execution risk, and geographic concentration?
- (iv) Can the board elaborate on the selection process for Ernst & Young Corporate Finance Pte Ltd as the independent financial adviser, including how many firms were considered and the criteria applied in making the appointment?

It is recommended to review the entire circular to shareholders dated 15 April 2026 (the “Circular”) to understand the transaction holistically. The Circular is available here:

https://links.sgx.com/FileOpen/Thakral_EGM_Circular_TIL_Acqn_20260415.ashx?App=Announcement&FileID=883981.

For specific queries, we have mentioned the relevant sections of the Circular below:

- (i) Please refer to Sections 3.3 and 2.10.3 of the Circular for the due diligence works undertaken in connection with the Proposed Acquisition and Summary of Key Risk and Mitigants, respectively. The scope of the due diligence works comprised (i) a market study by an International Property Consultant, (ii) engagements with various residential and commercial developers and hospital operators, (iii) engagement with local consultants to understand the regulatory and policy framework, and (iv) financial and legal due diligence on TIL Investments Pvt Ltd as well as title diligence on the land.
- (ii) Please refer to Sections 3.8 and 3.9 of the Circular for the assessment on Determination of the Consideration and Issue Price. The consideration was determined on arm's length basis based on the average market value of the Land Site as determined from the Valuation Report. The issue price was at a premium of 10% to the 20-day VWAP as benchmarking the issue price to market price is more practicable compared to benchmarking at NAV. The terms of the Proposed Acquisition were structured to optimise cash outflow whilst improving the equity base of the Company. This consideration structure will further align commitment of all stakeholders to achieve the overall growth and vision of the Group.

Further, a detailed analysis has been presented by the IFA under Section 4.3.3.2 and 4.3.4 of the IFA Letter (in Appendix A of the Circular) on evaluation of the Issue Price vis-à-vis historical P/NAV ratios of the Company and the comparable companies.

Under Section 5 of the IFA Letter, the IFA has concluded that “the P/NAV Ratio implied by the Issue Price of 0.7 times is generally higher than the



P/NAV Ratios based on the historical Share prices, and above the average and median daily P/NAV Ratios for the period of five years prior and up to the Latest Practicable Date, and is in line with the LPD P/NAV Ratio”

The independent directors have relied on the IFA’s opinion that the Proposed Acquisition is in on normal commercial terms and is not prejudicial to the interests of the Company and the Minority Shareholders.

(iii) Please refer to Section 2.10 of the Circular on Risk Factors considered by the Board, including Section 2.10.3 of the Circular which summarises the Key Risks and Mitigants.

(iv) Ernst & Young Corporate Finance Pte Ltd was selected based on expertise, transaction and sector experience, geographic and international experience as well as pricing. A total of 3 firms were considered but only two were short-listed after final evaluation.