



THAKRAL CORPORATION LTD

(Incorporated in the Republic of Singapore on 7 October 1993)
(Company Registration No. 199306606E)

ANNOUNCEMENT

ANNUAL GENERAL MEETING TO BE HELD ON 30 APRIL 2025 - RESPONSE TO SUBSTANTIVE AND RELEVANT QUESTIONS

The board of directors (the “**Board**”) of Thakral Corporation Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s 32nd Annual General Meeting to be held on 30 April 2025 at 11 a.m. (the “**AGM**”).

The Board has received questions from a shareholder in relation to the Group’s business operations and financial information. The Board would like to thank the shareholder for submitting his questions in advance, and has set out the questions and the Company’s responses in blue as follow:

1. Japan

Can the group clarify how much income is it generating from the Japanese properties? Versus the assets deployed and debt? What kind of returns are the company generating vis-a-vis the other higher performing segments? (e.g. GemLife or Lifestyle segment, e.g. fragrance distribution business?)

Company’s Reply

The income generated from the Group’s Japanese properties is primarily recognised under *share of profits from associates*. The portfolio continues to perform well, with occupancy across 6 commercial buildings averaging 96% in a robust rental market. Revenue of S\$7.6 million disclosed under the Japan segment mainly relates to fair valuation gains recognised on certain Osaka office property investments accounted for as financial assets.

Compared with other segments such as GemLife and the Lifestyle division, the Japanese properties provide steady rental yields and asset appreciation potential, with lower volatility and risk. Overall returns on equity remain accretive at the Group level.

To preserve our competitive position and in view of commercial sensitivities, the Group is unable to disclose further details at this time.

2. Drones – DJI and South Asia

Can the group clarify how much business does it generate from DJI drones in South Asia? Can the company help shareholders better understand the various segments (revenue and profit) from the various business grouped under this segment?

Company’s Reply

The Group’s primary business in South Asia is the distribution of DJI products across seven countries in the region. In FY2024, revenue from South Asia amounted to S\$151.9 million. While the profitability of the South Asia business is not disclosed separately, the Lifestyle segment — which the DJI business is part of — recorded a profit of S\$18.5 million for the year.

Due to the competitive nature of this space and varying country-level performances, we report it on a consolidated segmental basis.

3. Nespresso in India

Can the company clarify how does it make money from the Nespresso e-commerce store? What is the e-commerce store that Thakral is responsible for? Does it include all Indian sales under <https://www.nespresso.co.id> or Nespresso websites for India? What kind of distribution margins can we expect from this venture in future?

Company's Reply

The Company's wholly owned subsidiary Thakral Innovations Pvt Ltd is the official distributor of Nespresso products in India. Current distribution channels include a boutique store in Select City Walk, New Delhi (and any other retail stores that may be opened in the future), the full e-commerce store under: <https://www.nespresso.com/in/en/> as well as sales from distribution of the machines and capsules to hospitality and corporate groups. The business started recently, in FY2025. In view of commercial sensitivities and confidentiality obligations, the Group is unable to disclose distribution margin details.

4. Geographical revenue

Can the company help shareholders understand how the Australian revenue is booked? What goes into top line and what is booked under associates profit? What goes into the geographical revenue of 6m booked under Australia (6m) and others (25m revenue which includes Japan)?

Company's Reply

Income from GemLife is primarily recognised under *share of profits from associates*. Revenue attributed to the Australia geographical segment amounting to S\$6.0 million arose mainly from fair value changes on debt instruments. Please refer to #1 above for the revenue booked for Japan.

5. Fair value gains

If we were to strip away the fair value gains recorded, can the company clarify how much profit did the company make in FY 2024?

Company's Reply

Thakral Corporation is a diversified group with multiple investment businesses. As part of the Group's operations, fair value gains undergo audit and are recognised as part of the regular business cycle, ensuring alignment with financial reporting requirements. Consequently, any fair value gains recognised during our regular audits are considered regular gains, rather than one-off items. Only gains arising from exceptional, one-time events are considered one-off gains.

6. Going Forward

Can the company state (in its view) what are the greatest profit contributors to the company's bottom line in the foreseeable future and how investors can better appreciate the exciting prospects (current and future) of the company?

Company's Reply

The Group's strongest profit contributor is the Investment segment, with growth primarily driven by GemLife as the number of developed homes continues to rise steadily. Within the Lifestyle segment, key growth drivers include the Beauty and Fragrance business in China and the distribution of DJI products in South Asia, both of which present significant potential. In parallel,

the Group is investing in long-term opportunities through its real estate venture in India, as well as its investments in Bharat SkyTech, Skylark Drones, and the official distribution of Nespresso in India. While revenue contributions from the subsidiaries undertaking these initiatives are currently modest, the Group remains committed to expanding these businesses to unlock their full potential over time.

Substantial and relevant questions received from shareholders after this announcement shall be addressed during the Company's AGM and be included with the Minutes of the AGM to be published on the Company's website within a month from the AGM.

On behalf of the Board

Lim Swe Guan @ Lim Swee Guan
Independent Non-Executive Chairman

Singapore, 24 April 2025