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To: The Board of Directors of Golfzon Holdings Co., Ltd. (KOSDAQ:121440)

Attention: Jang Seong-won, Park Young-sun, Kim Seong-han, Choi Tae-won, Jeong Chan-soo, and Kim Myung-jin

Address: 735, Yeongdong-daero, Gangnam-gu, Seoul, Republic of Korea

July 22, 2026

There Is Still Time To Do What Is Right

Dear Members of the Board of Directors ("Board"),

Terton Capital is a US-based investment fund and a shareholder of Golfzon Holdings ("the Company"). We greatly admire the entrepreneurial legacy of the Kim family and the assets the Company has assembled, including a ~31.58% effective stake in the crown-jewel Golfzon County,¹ a stake in Golfzon Co, and valuable golf course and headquarters real estate. These assets are what drew us, and we suspect, many other foreign and Korean investors, to own shares in the Company.

We were therefore extremely disappointed by the June 29th announcement that SJ Investment Holdings ("SJ"), a special purpose vehicle incorporated on April 8, 2026 and 100% owned by One & Partners, the personal investment company of Kim Won-il, a former CEO of the Company,² had launched a tender offer for all 15,485,020 remaining common shares, excluding the Company's treasury shares and the shares held by Kim Won-il and his special related party Kim Young-chan,³ at 6,700 KRW per share. That price is far below the Company's own book value of 19,076 KRW per share,⁴ and we believe even that figure understates the Company's value. The Golfzon County stake is carried at equity method rather than at the value a sale would realize. The investment real estate is carried at cost while the Company's own annual report discloses an independently appraised fair value of 567.5 billion KRW against a carrying value of ~317 billion KRW.⁵ So, that gap alone is worth about 250 billion KRW, representing approximately 6,500 KRW per share of additional value not reflected in book value.⁶

Let's consider the facts. The controlling family and its related parties own ~61.4% of the Company, excluding treasury shares⁷. Golfzon County, which MBK Partners has controlled since 2018, is in a live sale process. Reputable media outlets thebell and Seoul Economic Daily report that the preliminary bid closed on May 29, 2026, with bidders having signed NDAs and received the information memorandum at an estimated enterprise value of ~2 trillion KRW.⁸ At that reported valuation, and based on our estimate of net debt, the Company's effective interest would be worth approximately 400 billion KRW.⁹

¹ Company's Q1 2026 Quarterly Report filed on May 15, 2026; Section 10 – Joint Ventures and Investments in Associates

² SJ's Tender Offer Statement filed on June 29, 2026; Section I.1

³ SJ's Tender Offer Statement filed on June 29, 2026; Summary (total number of outstanding shares 38,624,742 - shares owned by Kim Won-il and Kim Young-chan 23,139,722)

⁴ SJ's Tender Offer Statement filed on June 29, 2026; Section IV.2

⁵ Company's FY 2025 Annual Report filed on March 19, 2026; Section 15 – Investment Property

⁶ Calculated as 250 billion KRW divided by 38,624,742 shares (total number of outstanding shares)

⁷ SJ's Tender Offer Statement filed on June 29, 2026; Sections III.1 and IV.1

⁸ thebell, "MBK, 골프존카운티 LOI 접수 마감...빅딜 성사 '주목'" (June 4, 2026); Seoul Economic Daily, "골프존카운티 예비입찰 29 일 마감" (May 14, 2026)

⁹ Estimation based on reported ~2 trillion KRW of enterprise value, less 727.8 billion KRW of Golfzon County net debt, multiplied by the Company's 31.58% effective interest per the Company's Q1 2026 Quarterly Report; Golfzon County net debt derived from its 2025 Consolidated Financial Statements and calculated as 30.0 billion KRW of short-term borrowings plus 184.6 billion KRW of current portion of long-term debt plus 591.7 billion KRW of long-term borrowings minus 76.5 billion KRW of cash and cash equivalents minus 2.0 billion KRW of short-term financial assets

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To fund the tender offer, SJ committed 25 billion KRW of equity and borrowed approximately 80.3 billion KRW from NH Investment & Securities, meaning that approximately 76% of the required funding will be debt-financed. The loan is due in June 2027, just 10 months after the drawdown.¹⁰ These terms tell us two things:

1. ***SJ is positioned to capture the full value of the Golfzon County stake.*** Whether that value is realized through the pending sale, drag-along rights alongside MBK Partners, monetization after the Company goes private, or asset-level sales, minority shareholders' look through interest in the Golfzon County stake is ~160 billion KRW.¹¹ That value alone far exceeds the entire 103.7 billion KRW total consideration being paid for the shares held by minority shareholders in this tender offer. This implies that SJ gets to acquire everything else inside the Company, including valuable real estate and the stake in Golfzon Co, for less than free.
2. ***In our view, SJ believes it is buying a dollar for 35 cents.*** It is highly unusual in typical transactions to see a borrower finance approximately 76% of the required funding with debt to buy assets at fair value, and a lender extend a loan on these terms partly secured by shares in an illiquid company expected to be delisted, unless both expect the underlying assets to be worth materially more than the value implied by the tender price. Additionally, the Company's parent-level net financial position does not appear sufficient to repay this loan.¹² Repayment may ultimately depend in substantial part on subsidiary dividends, asset realizations or refinancing supported by the Company's underlying assets. Value in which minority shareholders currently hold a ~40% economic interest could therefore be used, directly or indirectly, to support the financing of the transaction that eliminates their equity position.

We expect the response will be that SJ is paying a 57.5% premium and a price above any price the shares have traded at since 2023. But SJ's own filing blames the depressed share price partly on delays in realizing synergies from certain diversification initiatives, the double-listing discount, and thin liquidity.¹³ Each of these is the product of decisions made by boards the controlling family elected, under a structure that it also created. A controlling family cannot depress a price through its own choices and then hold up that price as the fair measure of what minority shareholders have to accept. A 57.5% premium to this price, in an offer launched just a month after the preliminary bid closed on the Company's crown-jewel asset, is not evidence of fairness, but rather evidence of timing.

We see three things about this process that are hard to square with the Board's duty of loyalty to all shareholders under Article 382-3 of the recently amended Commercial Act:

1. The tender offer filing classifies a member of the Board's Audit Committee as SJ's special related party.¹⁴ One of the outside directors and Audit Committee members is listed as a special related party alongside the controlling family. We do not suggest any impropriety by the director, since this classification likely arises under the law. But the audit committee should be the one internal body of a Korean listed company that is

¹⁰ SJ's Tender Offer Statement filed on June 29, 2026; Section VI

¹¹ Minority shareholders' 40.09% interest (15,485,020 of 38,624,742 shares) multiplied by an estimated 400 billion KRW stake value = ~160 billion KRW

¹² Company's Q1 2026 Quarterly Report, separate financial statements; cash and cash equivalents of 24.4 billion KRW and short-term financial instruments of 45.3 billion KRW, against short-term borrowings of 18.0 billion KRW and long-term borrowings of 34.0 billion KRW

¹³ SJ's Tender Offer Statement filed on June 29, 2026; Section III

¹⁴ SJ's Tender Offer Statement filed on June 29, 2026; Section I.1; Board & Audit Committee membership per the Company's Q1 2026 Quarterly Report

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designed to exercise independence from the controlling family. And in this transaction, it is the only body that can check them. Yet, one of the three members of the Company's Audit Committee is formally classified as SJ's special related party, and it seems that no special committee was created and that there was no independent fairness opinion regarding the tender offer. **The tender offer process appears to have had no independent check.**

2. Justifying the offer price with book value multiples of other pure holding companies is circular.¹⁵ The holding company discount that puts those 12 peers at an average of 0.33x price-to-book value exists because minority shareholders in Korean holding companies can't access the underlying asset value. The discount is the market's price for being a minority shareholder with no power next to a controlling family. If SJ completes the contemplated going-private transaction and becomes the Company's 100% owner, that minority discount will no longer apply to SJ in the same way. The controlling family will be positioned to access and realize the underlying net asset value, not merely 0.35x book value. **A pending legislative proposal reflects the same policy concern.** Under the "price-suppression prevention" amendment, which President Lee Jae-myung urged the relevant authorities to advance on July 15, listed shares trading below 0.8x book value would, for inheritance and gift tax purposes, be valued using methods that take account of asset and earnings value, subject to a floor of 80% of net asset value.¹⁶ **Although the bill does not set a standard for tender offer prices, it rests on a clear policy judgment that deeply discounted market prices may not reliably represent the underlying value of a controlling shareholding.** SJ asks minorities to accept 0.35x as a fair price *from* the controlling family, based on 12 peers trading at 0.21x to 0.48x book value, using the discounts suffered by other holding companies to validate the same discount here. **If the Board assesses this offer, the starting point must be net asset value, not the multiples of companies suffering the same discount.**
3. The Company's treasury shares, bought with all shareholders' money, now serve the controlling family alone. Between 2023 and 2025, boards elected by the controlling family authorized 20 billion KRW of share repurchases, accumulating more than 4.2 million shares, or ~9.8% of shares outstanding. Not one single share has been cancelled. And because treasury shares carry no votes, these repurchases, which are paid for by corporate cash in which minority shareholders have a ~40% economic interest, increased the controlling family's effective voting power from 55.4% to 61.4% at no cost to the controlling family. Now, those same treasury shares are excluded from the tender offer and shrink the float that SJ has to purchase to reach 100%. At the Company's book value, that is ~80 billion KRW of equity that minority shareholders helped fund but won't share in.¹⁷ **Share repurchases that remain uncanceled do not return capital to shareholders. Instead, they could result in transferring control and value to the controller.**

The Board does not need to take our word for any of this. The Ministry of Justice's Guideline on the Standards of Directors' Conduct in Corporate Reorganization addresses this exact structure, a going-private tender offer by the

¹⁵ SJ's Tender Offer Statement filed on June 29, 2026; Section IV.2

¹⁶ Amendment to the Inheritance and Gift Tax Act proposed by Rep. Lee So-young (the "주가 누르기 방지 법"), pending before the National Assembly, which would assess inheritance and gift tax on shares of listed companies trading below 0.8x book value using the unlisted-company valuation method with a floor of 80% of net asset value; remarks of President Lee Jae-myung at the Financial Services Commission briefing of July 15, 2026, urging accelerated passage (Herald Business, July 16, 2026); Government of Korea, 2026 Second-Half Economic Growth Strategy (reform of listed-share valuation to block price suppression in succession)

¹⁷ SJ's Tender Offer Statement filed on June 29, 2026; Section III.1; 80 billion KRW calculated by multiplying treasury shares by 19,076 KRW

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controlling shareholder's side, and states that under Article 382-3, the target company's directors have both the need and the legal basis to act to protect minority shareholders.¹⁸

This transaction presents several of the circumstances that the Guideline identifies as relevant to assessing whether there is a heightened risk of harm to minority shareholders. The bidder is an affiliate of the Company and a special related party of its largest shareholder, and the filing already contemplates compulsory squeeze-out transactions after the tender, stating that, if the applicable requirements are met, SJ intends to pursue delisting and full ownership "as promptly as possible." The Guideline warns of two dangers in particular, and both are present here. First, a follow-on squeeze-out priced below the tender price. That risk is concrete here: SJ discloses no price and no pricing basis at all for the squeeze-out of shareholders who do not tender; the only figure it offers is a ceiling "not exceeding" 6,700 KRW, and even that cap is stated only for the shares already excluded from this offer. A ceiling with no floor is precisely the risk the Guideline warns against. Second, a controlling shareholder using superior information to time an offer to a period of undervaluation. This offer launched a month after the preliminary bid closed on Golfzon County.

The Guideline identifies the steps a board in this position should consider: convene promptly, actively consider a statement of opinion under Article 138 of the Financial Investment Services and Capital Markets Act addressing the fairness of the price and structure, form a special committee independent of the controlling shareholder, commission a valuation from an independent outside expert, and carefully review the follow-on price (pp. 27–28). Half of the tender offer period has now passed. *Nothing in the public record shows the Board has taken even one of these steps.*

We therefore ask the Board to do three things and publish the results by July 27, 2026:

1. Publish a reasoned opinion (a statement of opinion under Article 138 of the Financial Investment Services and Capital Markets Act) on the tender offer. Form a special committee of the outside directors, advised by independent legal counsel and an independent financial advisor. State whether 6,700 KRW is fair to shareholders who are unaffiliated with SJ. **If the Board cannot conclude that the tender offer price is fair, it should recommend that shareholders not tender.**
2. Disclose to shareholders what the Board knows about the Golfzon County sale process. This will include whether the indicative valuations received in the recent preliminary bid imply a value for the Company's stake above what 6,700 KRW reflects. **This will enable minority shareholders to make their tendering decision with the same information the SJ group has.**
3. Confirm that any action to acquire remaining shares after the tender by comprehensive share exchange or acquisition under Article 360-24 of the Commercial Act will not happen at or below 6,700 KRW per share without an independent valuation. SJ's filing commits to the 6,700 KRW cap only for the shares excluded from this tender offer, while stating no price at all for the squeeze-out of shareholders who do not tender.¹⁹

¹⁸ Ministry of Justice, 기업 조직개편 시 이사의 행위규범 가이드라인(Guideline on the Standards of Directors' Conduct in Corporate Reorganization), Section 5.나, pp. 24–28

¹⁹ SJ's Tender Offer Statement filed on June 29, 2026; Section III.1

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We intend to consider sharing our analysis based on public disclosures and media reports with fellow shareholders and with the Korea Exchange in connection with any delisting review. We will reserve all rights available to us, including appraisal rights in any future share exchange and assertions under Article 382-3 of the Commercial Act. We hope that the Board understands how seriously we view this matter. ***There is still time to do what is right.***

Respectfully,

Ryan A. Albert
Managing Member
Terton Capital

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