Terton:

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

August 18, 2026

One More Chance To Do What's 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"). On July 22, 2026, we published an Open Letter on the tender offer conducted from June 29 through August 5, 2026 (settlement date August 7, the "first tender offer"): https://www.tertoncapital.com/letters-and-materials. In it, we highlighted:

- A tender offer price at 6,700 KRW per share that failed to reflect the fair value of the Company's crown jewel Golfzon County stake, and fell far short of the Company's book value per share of 19,076 KRW.
- Deal financing that was approximately 76% borrowed funds, on a short duration, against the backdrop of the live Golfzon County sale process.
- A Board that remained silent on the price of any subsequent transaction notwithstanding the Ministry of Justice guidelines.

Separately, we filed a complaint with the Financial Supervisory Service pointing out, among other things, omissions of material facts in the first tender offer filing. We asked the Board to respond by July 27, 2026. It did not. Instead, on August 3, 2026, the Board issued a manifestation of opinion regarding the first tender offer that is, as discussed below, difficult to regard as a genuine expression of the Board's opinion.

This second letter, unlike the first one, arrives with intense media scrutiny surrounding this transaction. When the first tender offer closed on August 5, 2026, SJ Investment Holdings ("SJ") had secured only ~63% of its intended purchase volume.[1] When 37% of the shares SJ sought were withheld, that was the minority shareholder base rendering its verdict on 6,700 KRW per share. Yet on August 10, 2026, SJ launched a second tender offer at the identical price, without any substantive answer to the issues we raised. Since then, the Company's closing stock price has consistently reached above 6,700 KRW.[2] Given that the market itself values your stock at 6,700 KRW or above, no rational shareholder would tender their shares under terms below this price. Re-offering the identical price completely disregards what minority shareholders clearly expressed.

We remind the Board that following the amendment to Article 382-3 of the Commercial Act, the duty of loyalty clause, provides that "Directors shall perform their duties faithfully for the company and for shareholders in accordance with statutes and the articles of incorporation," and Paragraph (2) of the same Article further provides that directors shall "protect the interests of all shareholders and treat the interests of all shareholders equitably." The revised Article explicitly codifies that directors owe a duty of loyalty not only to the company, but also to all shareholders. **We believe the Board's conduct, in four respects, breaches this duty.**

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[1] Number of tendered shares: 9,742,319 shares, Target number of shares to be purchased: 15,485,020 shares (Post Tender Offer Report; SJ Investment Holdings; Filed August 7, 2026)

[2] Closing prices of 6,760 KRW, 6,710 KRW, 6,900 KRW, 6,810 KRW, and 7,180 KRW from August 10, 2026 through August 14, 2026.

1. **<u>The Board approved the fairness of the tender offer while declaring itself neutral and disclaiming the price.</u>** The Board "expresses its approval of this tender offer" yet "maintain[s] a neutral stance regarding whether shareholders will accept," and asks shareholders to "bear in mind that the tender offer price does not represent the absolute value of our current or future enterprise value."[3] A price that does not represent the Company's value is not a fair price. Nowhere does the Board actually find the price to be fair. Its operative conclusions are that the price is at "a level whose reasonableness can be acknowledged," "a level that can serve as a reference in providing shareholders with an opportunity to recover their investment," and "not at a level that particularly harms the rights and interests of minority shareholders."[4] That is not a finding of fairness, but rather a finding that the harm is not severe enough to object to. Minority shareholders are entitled to a Board that determines whether a price is fair, not one that measures how much detriment they can be asked to absorb.

2. **<u>The Board concluded the valuation was fair but disclosed none of it.</u>** The Special Committee's external valuation used Sum of the Parts, Guideline Transactions, and DCF methodologies, yet the Board disclosed no critical inputs. Not the enterprise value calculated. Not the value ascribed to major assets. Not the discount rate. Most strikingly, neither the Board's opinion nor either tender offer filing makes any mention of the value of the Company's crown jewel asset, Golfzon County. Minority shareholders are owed sufficient information to make an informed decision, yet they have been given none.

3. **<u>The Board is silent on the sale of Golfzon County.</u>** The second tender offer filing states only that the Company is not involved in the Golfzon County sale process and cannot predict the possibility of a sale, while repeating shareholders' agreement terms that already appear in the Company's annual report.[5] Under that agreement, the Company holds, among other rights, a tag-along right entitling it, upon notice of a third-party disposal from MBK Partners, to require that its Golfzon County stake be sold together at the same price and on the same terms. Information regarding the sale of the Company's crown jewel asset should reach shareholders through the Company's disclosures, not through the press.

4. **<u>The Board waited 35 days to speak, leaving shareholders just two days.</u>** The Board issued its opinion 35 days into the first tender offer, two days before expiry, and only after shareholders publicly demanded one. Two days is not sufficient time for minorities to make an informed investment decision.

The Board cited the Ministry of Justice's February 25, 2026 guideline on directors' conduct in corporate reorganizations and committed to monitor that any subsequent comprehensive share exchange pays consideration equivalent to this tender offer. Equivalence to 6,700 KRW protects no one if 6,700 KRW is not an appropriate price. A Board that performs its duties faithfully for minority shareholders does not adopt an unexamined price as the benchmark for every step that follows it.

Separately, on July 29, 2026, the Company received advance notice of designation as an unfaithful disclosure corporation for the delayed disclosure of a share pledge agreement, an agreement entered into to fund the

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[3] Manifestation of Opinion on Tender Offer; Golfzon Holdings; Filed August 3, 2026, at pp. 2 and 3
[4] Manifestation of Opinion on Tender Offer; Golfzon Holdings; Filed August 3, 2026, at p. 3
[5] Tender Offer Filing; SJ Investment Holdings; Filed August 10, 2026, at pp. 19 and 20

consideration for this very tender offer. The Board cannot ask minority shareholders to accept a price built on the Company's disclosures while the adequacy of those disclosures is the subject of a pending proceeding.

The arithmetic here is not complicated, because Golfzon Holdings' assets are easy to appraise. At 6,700 KRW per share, SJ is valuing the entire equity of the Company at approximately 258.8 billion KRW.[6] The Company's book value per share is now 19,310 KRW, and book value understates fair value.[7] The crown jewel Golfzon County stake is carried at equity method, 195.8 billion KRW, rather than at the value a sale would realize,[8] which we estimate at approximately 400 billion KRW based on the approximately 2 trillion KRW valuation reported in the media for the ongoing sale process, as detailed in our July 22 letter.[9] The investment real estate is carried at cost of approximately 316 billion KRW[10] while the Company's own annual report discloses an independently appraised fair value of 567.5 billion KRW.[11]

Now adjust book value for only the two items the Board can itself verify, and the gap becomes indefensible. Marking the Golfzon County stake to approximately 400 billion KRW adds approximately 5,300 KRW per share.[12] Marking the investment real estate to its disclosed appraisal adds approximately 6,500 KRW per share.[13] **The result is an adjusted net asset value of roughly 31,100 KRW per share. The tender offer price is approximately 21.5% of that figure and 34.7% of unadjusted book value.**

Even the most conservative possible view tells the same story. Valuing the Golfzon County stake at nothing more than its equity-method carrying value of 195.8 billion KRW, a historical-cost figure that reflects none of the reported sale-process valuation, that stake plus the Company's separate 66.4 billion KRW of cash and short-term financial instruments[14] already account for more than the Company's value based on the tender offer price of 258.8 billion KRW, as mentioned above. **On even that floor, everything else the Company owns, including Golfzon Commerce, the stake in Golfzon Co., the golf courses and buildings, and the brand royalties, is being acquired for essentially nothing.** And the floor is not the value, since at the reported sale-process valuation, the **Golfzon County stake alone is worth roughly 1.5x the Company's valuation based on the tender offer price**.

Nor can a premium to the market price justify 6,700 KRW. Korean holding companies trade at deep discounts to net asset value precisely because minority shareholders cannot compel realization of the underlying assets. In a buyout by the controlling shareholder's affiliate, the party that can realize the full value, the relevant benchmark is the value of what minorities are being asked to surrender, as the Ministry of Justice guideline recognizes. In any event, the market has already rendered its own verdict, since the shares trade above the offer price.

We therefore ask the Board to do three things and publish the results by August 24, 2026:

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[6] 6,700 KRW × 38,624,742 shares outstanding
[7] 745.86 billion KRW / 38,624,742 shares outstanding; See Golfzon Holdings H1 2026 Report, at p. 36
[8] See Golfzon Holdings H1 2026 Report, at p. 56
[9] See our Open Letter of July 22, 2026, footnote 9
[10] See Golfzon Holdings H1 2026 Report, at p. 57
[11] See Golfzon Holdings 2025 Annual Report, at pp. 84 and 85
[12] (400 billion KRW – carrying value of 195.8 billion KRW) / 38,624,742 shares outstanding
[13] (567.5 billion KRW – carrying value of 316 billion KRW) / 38,624,742 shares outstanding
[14] See Golfzon Holdings H1 2026 Report, at p. 92

1. If the Board's position is that 6,700 KRW per share is a fair price, **disclose the supporting evidence. This includes the value of each business segment calculated by the external valuation agency, the value ascribed to each material asset, in particular Golfzon County and the investment real estate, the peer group, and the discount rate applied. Minority shareholders should make their tendering decision with the same information the SJ group has.**

2. As the holder of a tag-along right and other rights under the shareholders' agreement, **disclose the status to date of the Golfzon County sale process and state how the external valuation agency assessed the value of the Golfzon County stake. The offeror is a wholly-owned subsidiary of the Company's affiliate and a specially related person of the Company's largest shareholder. In light of that relationship, the Board cannot claim the tender offer price is fair without disclosing its analysis of the value of the Golfzon County stake.**

3. **Issue the Board's opinion on the second tender offer now, not 35 days in.** Shareholders deserve time to act on it.

We do not intend to tender into the second tender offer. Should SJ subsequently pursue a comprehensive share exchange or a controlling shareholder's purchase of minority shares, shareholders are entitled to have fair value determined by the court rather than set by SJ. **We remind the Board that under the Financial Investment Services and Capital Markets Act, where tendering shareholders suffer damage from a false description or omission of a material fact in a tender offer statement, the filer and the filer's specially related persons, among others, are liable to compensate for that damage.**

We have requested inspection and copying of the minutes of Board meetings, asking the Company to respond by August 12, 2026. **We have yet to receive a definitive answer.** We expect access at the earliest date, and we will pursue all available means, including legal means, to ensure that minority shareholders are offered a fair price for their shares.

If the members of the Board were in our shoes as shareholders of Golfzon Holdings, would they feel that their interests are being dutifully represented? This is another opportunity for the Board to do what is right.

Respectfully,

Ryan A. Albert
Managing Member
Terton Capital