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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Pico Far East Holdings Limited, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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PICO FAR EAST HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 752)

Executive Directors:

Lawrence Chia Song Huat, *Chairman*

Jean Chia Yuan Jiun

Mok Pui Keung

Independent Non-Executive Directors:

James Patrick Cunningham

Kenneth Kent Ho

Frank Lee Kee Wai

Phillip Pon

Charlie Yucheng Shi

Registered Office:

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Hong Kong

April 21, 2026

To the Shareholders

Dear Sir or Madam,

**SCRIP DIVIDEND ARRANGEMENT
IN RELATION TO THE SPECIAL DIVIDEND
FOR THE YEAR ENDED OCTOBER 31, 2025**

INTRODUCTION

On January 30, 2026, it was announced that, among other things, the board of directors (the “**Board**”) of Pico Far East Holdings Limited (the “**Company**”) recommended the payment of a final dividend (the “**Final Dividend**”) of HK9.0 cents per ordinary share of the Company (“**Share**”) and a

special dividend (the “**Special Dividend**”) of HK4.5 cents per Share for the year ended October 31, 2025 payable on Tuesday, May 26, 2026 to the shareholders of the Company (the “**Shareholder(s)**”) whose names appear on the register of members of the Company (the “**Register of Members**”) at the close of business on Friday, April 10, 2026 (the “**Record Date**”). At the annual general meeting of the Company held on Friday, March 27, 2026, the Final Dividend and the Special Dividend were approved by the Shareholders. The Shareholders were provided with an option to receive the Special Dividend in cash or wholly or partly in new and fully paid Shares (the “**Scrip Shares**”) in lieu of cash (the “**Scrip Dividend Arrangement**”).

The purpose of this circular is to set out the procedures which apply in relation to the Scrip Dividend Arrangement and the action which should be taken by the Shareholders in relation thereto.

PARTICULARS OF THE SCRIP DIVIDEND ARRANGEMENT

Under the Scrip Dividend Arrangement, each Shareholder has the choice of receiving:

- (a) a cash dividend of HK4.5 cents per Share held on the Record Date; or
- (b) a scrip dividend of Scrip Shares at an Issue Price (as defined below), subject to any fractional entitlement being disregarded as mentioned below; or
- (c) a combination of partly in (a) and partly in (b) above.

The Scrip Shares issued in respect of the Special Dividend will, when they are issued, rank *pari passu* in all respects with the existing issued Shares except that such Scrip Shares themselves will not rank for the Final Dividend and Special Dividend. The right to receive Scrip Shares instead of whole or part of the cash dividend is non-transferable.

Based on 1,267,754,566 Shares in issue as at the Record Date, if no elections for the Scrip Shares were received, the total cash dividend payable by the Company in respect of the Special Dividend would be approximately HK\$57.0 million. If all Shareholders elect to receive their entitlement in the form of Scrip Shares, the maximum number of Scrip Shares to be issued would be 22,620,521 Shares, representing approximately 1.78% of the issued share capital of the Company as at Thursday, April 16, 2026 being the latest practicable date prior to the printing of this circular and approximately 1.75% of the issued share capital of the Company as enlarged by the issue of the Scrip Shares.

Shareholders should note that the Scrip Shares to be issued under the Scrip Dividend Arrangement may give rise to disclosure requirements under Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Shareholders who are in any doubt as to how these provisions may affect them as a result of the issue of the Scrip Shares are recommended to seek their own professional advice. Shareholders who are in any doubt as to their taxation position are also recommended to seek their own professional advice.

BASIS OF ALLOTMENT OF THE SCRIP SHARES

For the purpose of calculating the number of Scrip Shares to be allotted to the Shareholders pursuant to the Scrip Dividend Arrangement, the issue price of the Scrip Shares has been determined at HK\$2.522 per Share (the “**Issue Price**”), which is the average value of the closing prices of the Shares quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the five consecutive trading days up to and including Friday, April 10, 2026. Accordingly, the number of Scrip Shares which each Shareholder will receive under the Scrip Dividend Arrangement will be calculated as follows:

$$\begin{array}{rcccl} \text{Number of Scrip Shares to be} & & \text{Number of Shares held on the} & & \text{HK\$0.045} \\ \text{received (round down to the} & = & \text{Record Date for which the} & \times & \text{(Special Dividend per Share)} \\ \text{nearest whole number)} & & \text{election for Scrip Shares} & & \text{HK\$2.522} \\ & & \text{is made} & & \text{(Issue Price)} \end{array}$$

The number of Scrip Shares to be received by each Shareholder pursuant to his/her/its election will be rounded down to the nearest whole number. No Shareholder will be entitled to be issued any fraction of a Share under the Scrip Dividend Arrangement. If you elect to receive the maximum number of Scrip Shares in lieu of your cash dividend, a residual dividend entitlement may arise, representing the difference between the total cash equivalent of the Scrip Shares based on the Issue Price to be issued to you and the maximum dividend available in respect of your shareholding. Fractional entitlements to Scrip Shares will be disregarded and the benefit thereof will accrue to the Company.

Scrip Shares issued to a Shareholder pursuant to an election to receive some or all of his/her/its Special Dividend in Scrip Shares may be allocated in odd lots (of fewer than a board lot of 2,000 Shares). No special dealing arrangements will be put in place by the Company to facilitate the trading or disposal of Scrip Shares issued in odd lots as additional cost will be incurred by the Company for such arrangements. Shareholders should be aware that odd lots usually trade at a discount to the price of board lots.

You may elect to receive Scrip Shares in respect of all or part of your holding of Shares. No fraction of a Share will be issued. If you choose to take only part of your dividend as Scrip Shares, you will receive the balance in cash.

ACTION TO BE TAKEN

An election form (the “**Election Form**”) is enclosed with this circular. Please read carefully the instructions below and the instructions printed on the Election Form.

If you wish to receive the whole of the Special Dividend in cash, you need not complete the Election Form.

If you wish to elect to receive an allotment of Scrip Shares, or partly in cash and partly in Scrip Shares in respect of the Special Dividend, you must COMPLETE, SIGN and RETURN the Election Form to the Company’s branch share registrar in Hong Kong, Union Registrars Limited (the “Share Registrar”) at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, no later than 4:00 p.m. on Wednesday, May 6, 2026.

No acknowledgement of receipt of the Election Form will be issued.

The latest time for submission of the Election Forms will not be valid if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning or “extreme conditions” announced by the Government of the Hong Kong Special Administrative Region is/are in force in Hong Kong:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, May 6, 2026. Instead, the deadline for submission of the Election Forms will be extended to 5:00 p.m. on the same business day;
- (ii) at any time between 12:00 noon and 4:00 p.m. on Wednesday, May 6, 2026. Instead, the deadline for submission of the Election Forms will be rescheduled to 4:00 p.m. on the next business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

No elections in respect of the Special Dividend may, after the relevant Election Forms are signed and returned to the Share Registrar, be in any way withdrawn, revoked, superseded or altered.

If you sign the Election Form but do not specify the number of Shares in respect of which you wish to receive your Special Dividend in Scrip Shares or, if you elect to receive your Special Dividend in Scrip Shares in respect of a greater number of Shares than your registered holding on the Record Date, then in either case you will be deemed to have exercised your election to receive Scrip Shares in respect of all your Shares.

OVERSEAS SHAREHOLDERS

This circular will not be registered or filed under the securities laws or equivalent legislation of any jurisdiction other than Hong Kong.

Based on the Register of Members as at the Record Date, (i) an aggregate of 28,289 Shares, representing approximately 0.002% of the existing issued share capital of the Company, were held by two Shareholders with registered address in Japan; (ii) 20,000 Shares, representing approximately 0.002% of the existing issued share capital of the Company, were held by a Shareholder with registered address in Korea; (iii) an aggregate of 2,524,606 Shares, representing approximately 0.2% of the existing issued share capital of the Company, were held by four Shareholders with registered address in the United States of America; (iv) an aggregate of 5,372,296 Shares, representing approximately 0.4% of the existing issued share capital of the Company, were held by two Shareholders with registered address in the Philippines; (v) an aggregate of 252,000 Shares, representing approximately 0.02% of the existing issued share capital of the Company, were held by one Shareholder with registered address in the United Arab Emirates; (vi) an aggregate of 770,000 Shares, representing approximately 0.06% of the existing issued share capital of the Company, were held by 19 Shareholders with registered address in Singapore; (vii) an aggregate of 248,000 Shares, representing approximately 0.02% of the existing issued share capital of the Company, were held by five Shareholders with registered address in the People's Republic of China (which, for the purpose of this circular only, excludes Hong Kong, Macau and Taiwan); (viii) an aggregate of 76,000 Shares, representing approximately 0.006% of the existing issued share capital of the Company, were held by two Shareholders with registered address in Taiwan; and (ix) an aggregate of 56,000 Shares, representing approximately 0.004% of the existing issued share capital of the Company, were held by a Shareholder with registered address in the United Kingdom.

In view of the legal advice received from the relevant local legal counsels of the aforesaid jurisdictions, there are no legal restrictions or there are exemptions available to the Company under the laws of or the requirements of the regulatory bodies in these jurisdictions with respect to the offer of the Special Dividend in the form of cash dividend and/or Scrip Shares and the dispatch of this circular and Election Form to relevant Shareholders. On the above basis, no Shareholder will be excluded from the receipt of the Scrip Shares. However, it is the responsibility of any Shareholder receiving the Scrip Shares to satisfy itself as to full observance of the laws of any relevant territory, including obtaining any governmental or other consents which may be required.

All Shareholders residing outside Hong Kong should consult their professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to permit them to participate in the Scrip Dividend Arrangement.

No Shareholder receiving in any territory outside Hong Kong a copy of this circular and/or an Election Form may treat the same as an invitation to elect for Scrip Shares unless in the relevant territory such invitation could lawfully be made to such person without the Company being required to comply with any registration or other legal requirements, governmental or regulatory procedures or any similar formalities. It is the responsibility of any Shareholder residing outside Hong Kong who wishes to receive Scrip Shares under the Scrip Dividend Arrangement to comply with the laws of the relevant jurisdiction(s), including procedures or any other similar formalities. It is also the responsibility of any person who receives Scrip Shares in lieu of cash dividend to comply with any restrictions on the resale of the Scrip Shares which apply outside Hong Kong.

Singapore

This circular has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Scrip Shares were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Scrip Shares, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore, other than pursuant to (a) no more than 50 persons within any period of 12 months pursuant to section 272B of the Securities and Futures Act 2001 of Singapore (“SFA”); or (b)(i) an institutional investor pursuant to section 274 of the SFA, or (ii) an accredited investor pursuant to and in accordance with the conditions specified in section 275, of the SFA.

The Philippines

The scrip dividend and/or Scrip Shares being offered or sold herein have not been registered with the Philippine Securities and Exchange Commission under the Philippine Securities Regulation Code (“**Philippine SRC**”). Any future offer or sale of the scrip dividend and/or Scrip Shares is subject to the registration requirements under the Philippine SRC unless such offer or sale qualifies as an exempt transaction.

The scrip dividend and/or Scrip Shares are being offered or issued under section 10.1(d), (e) and/or (k) of the Philippine SRC.

CONDITION OF THE SCRIP DIVIDEND ARRANGEMENT

The Scrip Dividend Arrangement is conditional upon approval of listing of, and permission to deal in, the Scrip Shares being granted by the Stock Exchange. If this condition is not satisfied, the Scrip Dividend Arrangement described in this circular will not become effective, the Election Forms will be void and the Special Dividend will then be paid wholly in cash.

STOCK EXCHANGE LISTING, CLEARING AND SETTLEMENT

Application will be made to the Listing Committee of the Stock Exchange for the grant of listing of, and permission to deal in, the Scrip Shares. Subject to the listing approval being granted by the Stock Exchange, it is expected that the dividend warrants and/or share certificates for Scrip Shares will be dispatched to the Shareholders by ordinary mail at their own risk on Tuesday, May 26, 2026.

Dealings in the Scrip Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, May 27, 2026. The Shares are only listed on the Stock Exchange. No part of the share capital or debt securities of the Company is listed or dealt in on any other stock exchange and the Company is not currently seeking to list Shares or any part of debt securities of the Company on any other stock exchange.

Dealings in the Shares may be settled through the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited and you should seek the advice of your stockbroker or other professional adviser for details of these settlement arrangements and how such settlement arrangements will affect your rights and interests.

ADVANTAGES OF THE SCRIP DIVIDEND ARRANGEMENT

The Scrip Dividend Arrangement will give Shareholders the opportunity to increase their investments in the Company at Issue Price without incurring brokerage fees, stamp duty and related dealing costs. The Scrip Dividend Arrangement will also be to the advantage of the Company because, to the extent that the Shareholders elect to receive Scrip Shares, in whole or in part in lieu of cash dividend, the cash which would otherwise have been paid to the Shareholders will be retained for use by the Company as general working capital.

RECOMMENDATION AND ADVICE

Whether or not it is to your advantage to elect to receive Scrip Shares in lieu of cash dividend will depend upon your own individual circumstances and the decision in this regard, and all effects resulting therefrom, must be solely the responsibility of each Shareholder.

If any Shareholder is in any doubt as to any aspect of this circular, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

Yours faithfully,
By Order of the Board
Lawrence Chia Song Huat
Chairman

EXPECTED TIMETABLE

Record Date	Friday, April 10, 2026
Latest time for return of Election Forms	4:00 p.m. on Wednesday, May 6, 2026
Dispatch of the dividend warrants for the Special Dividend payable in cash and the share certificates for the Scrip Shares to the Shareholders	Tuesday, May 26, 2026
Commencement of dealings in the Scrip Shares (subject to the granting of listing approval of the Scrip Shares by the Stock Exchange)	9:00 a.m. on Wednesday, May 27, 2026

Note: All references to dates and times in this circular are to Hong Kong dates and times.