



HOTEL PROPERTIES LIMITED

RESPONSES TO QUESTIONS FROM SHAREHOLDERS ON HOTEL PROPERTIES LIMITED'S ANNUAL REPORT 2023

The Board of Directors of Hotel Properties Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to thank shareholders for submitting their questions in advance of the Annual General Meeting to be held on April 30, 2024.

The responses to the substantial and relevant questions are set out below:

- 1) For Paddington Square, when does the Company expect the majority of the retail spaces to start to generate rental income?

The completion of the London Underground Station has been delayed due to the complexity of delivering a new step-free access ticket hall for the Bakerloo Underground Line. Planning consents do not permit retail units to open and operate until the London Underground Station has been fully delivered which is now expected to be in the 3rd Quarter of this year.

- 2) Does the Company expect asset write downs for the UK properties due to higher interest rates and capitalization rates?

As disclosed in the Financial Review of the Chairman's Statement, impairment losses were suffered by the Group's properties in London due to higher capitalization rates.

- 3) What is the basis for the significant valuation increase of \$645 million for the Singapore properties? If due to the possible redevelopment, could you please elaborate more?

As disclosed in Note 17 to the financial statements, the fair value of the properties represents their highest and best use. The market value of the properties for the year ended December 31, 2023 was determined by professional valuer as a commercial redevelopment site is arrived at by the direct comparison method and crosschecked by the residual method.

- 4) The Grant of Provisional Planning by URA for the redevelopment of the Company's Orchard Road properties - is there a timeline for the next steps to obtain Written permission by URA?

Yes, the Company is working on the detailed plans with that in mind.

- 5) How does the Company plan to fund the potential redevelopment for the Orchard Road properties? Are there plans to collaborate with the other partners?

The Company does not rule out having Joint Venture partner(s) for the potential redevelopment.

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6) How does the Company plan to handle the significant increase in interest costs?

The Group mitigates its interest rate risk through a balance of fixed and floating rate loans as well as having a loan portfolio with staggered maturities.

By Order of the Board

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26 April 2024

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