

Sim Leisure Group Ltd.

(Company Registration Number: 201808096D)

(Incorporated in the Republic of Singapore)

RESPONSES TO SHAREHOLDER QUESTIONS ON THE ANNUAL REPORT

The Board of Directors (the “**Board**” or “**Directors**”) of Sim Leisure Group Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the below questions raised by a shareholder in respect of the Company’s Annual Report for the financial year ended 31 December 2025. The Company wishes to provide the following responses to the shareholder’s questions:

Q1. The Group reported a record net profit attributable to shareholders of RM41 million. However, a significant portion of this was due to RM46.67 million in “Other Income” primarily from one-off compensation related to the termination of the Bandar Malaysia project. Excluding these one-off items, how does the Board view the underlying profitability of the core theme park and construction segments for the coming year?

R1. Excluding these other income items, the underlying profitability of the Group’s Theme Park Operations and Themed Attractions Construction segments remains resilient. Both segments and the Group have been profitable and cash-generative post-Covid-19.

The Board wish to reassure shareholders that the Group’s business remain healthy. Firstly, save for the present global uncertainties, particularly geopolitical tensions in the Middle East, the Board views the underlying performance of the Group’s operations continues to be sustainable. Secondly, core parks such as ESCAPE Penang and KidZania Kuala Lumpur continue to support the profitability of the Theme Park segment, while maturing and newly launched parks are expected to achieve operational breakeven or, at minimum, a reduction in losses. Encouraging signs of visitor engagement, efficiency initiatives, and customer experience enhancements further support future growth. Lastly, the Themed Attractions Construction segment, anchored by the Exit 15 Contract (as defined below), is expected to contribute positively to revenue and earnings in financial year ending 31 December 2026 (“**FY2026**”). Taken together, these factors provide confidence that the Group’s core business segments will continue to deliver stable profitability in the coming year, independent of the one-off income arising from the termination of the Bandar Malaysia project.

Q2. Revenue from the themed attractions construction segment declined by 37.9% to RM55.50 million as the Six Flags Qiddiya project reached near-completion. With this major project winding down, what is the strategy to replenish the order book, and what is the current value of the Group’s construction pipeline?

R2. As announced on 13 June 2025, the Group secured the subcontract works for theming the Public Realm, Snow Park, and Water Park of the Al Nahda Entertainment Complex, Exit 15, Riyadh, the Kingdom of Saudi Arabia with a contract value of Saudi Riyal (SAR) 112,582,252 (“**Exit 15 Contract**”). This contract has replenished the Group’s themed attractions construction order book in the second half of financial year ended 31 December 2025 (“**FY2025**”) and is expected to sustain activity in the segment through FY2026.

Subject to potential developments arising from ongoing conflicts in the Middle East and on the assumption that there are no material operational disruptions, the Group remains cautiously optimistic that work on the Exit 15 Contract will enter its high output phase in FY2026 and contribute positively to revenue and earnings. In parallel, the Group continues to engage with current and past clients across the Gulf Cooperation Council region for new projects, and contracts arising from the enhancements, maintenance, and refurbishments of attractions. These initiatives are expected not only to strengthen the order book further but also to provide recurring revenue streams, thereby enhancing the resilience and sustainability of the segment.

Q3. The Executive Chairman's message highlights a "homecoming" to China with ESCAPE Guangzhou and the SIMall concept. Given the current economic climate in China, what are the specific capital expenditure requirements for this expansion, and how does the Group intend to mitigate risks in this new market?

R3. As highlighted by the Executive Chairman in his statement that "There are always opportunities in every crisis, nothing superstitious, just the law of nature, and only narrate to those who see them through a different lens.", the Group views expansion into the People's Republic of China ("PRC") as a natural progression. The PRC is the world's largest family entertainment market, with rising demand for leisure among its vast middle class. The Group sees opportunity amid current economic challenges, notably the prolonged property crisis and ongoing trade tensions, which have reduced competition and created openings for innovative operators.

The PRC market is not new to the Group, which has collaborated with Chinese theme park operators for more than 15 years through its Themed Attractions Construction segment, including the development of ESCAPE Penang. To mitigate risks associated with entering a new operating market, the Group has engaged a long standing business associate to guide and facilitate its strategic expansion and has engaged an established Guangzhou legal firm to advise on contracting, legal, regulatory, and due diligence matters. The Group has also received encouraging support from the Huangpu District People's Government and Guangzhou Municipal People's Government, who are working to secure the necessary approvals and ensure landlord cooperation for the successful launch of ESCAPE Guangzhou and SIMall attractions.

Subject to the finalisation of commercial terms and execution of definitive agreements, the Group projects a total capital expenditure of up to RMB100 million (approximately RM58 million converted at the exchange rate of RMB1.00:RM0.5804 on 21 April 2026 extracted from the published information by the Bank Negara Malaysia at its website bnm.gov.my and are provided solely for information only) for ESCAPE Guangzhou, based on the design layout currently contemplated. The Group considers the risks associated with this development to be manageable, as the operations of ESCAPE Guangzhou are not expected to differ materially from its existing ESCAPE and KidZania parks. Shareholders will be kept informed of material developments through timely updates on SGXNet.

Q4. The report mentions the SIMall concept is ready for rollout once a suitable site is secured. Are there any specific targets for the number of SIMall locations the Group aims to open in the next 24 months, and which geographical regions are being prioritized?

R4. In the past year, the Group has actively pitched to mall operators about the imminent transformation of the traditional mall model into a vibrant, experience driven destination through its SIMall concepts and attraction brands. However, many shopping centres

in the Klang Valley remain reluctant to allocate the substantial space required for a full scale SIMall concept, opting instead to incorporate entertainment only as a peripheral component of their business.

In response to these constraints, and the increasingly non business friendly mall environment in Malaysia, the Group has embarked on an international expansion strategy to grow both the ESCAPE brand and the SIMall concept. The Group is working towards its first overseas opportunity in the PRC, while remaining open to any viable opportunity to roll out the SIMall concept in the Greater Klang Valley and Johor. The Group believes that, in time, mall owners and operators will recognise the need for integrated attractions, and will turn to it as one of the very few integrated theme parks and attractions operators in the region with proven international theming design and construction expertise, demonstrated by more than 300 successful global projects.

While there is no specific numerical target, the Group aims to potentially establish at least one SIMall location—with all or a combination of attraction brands within the SIMall concept—within the next one to two years. Any rollout will be subject to commercial viability and undertaken on terms consistent with the Group's refined operating model, where mall owners act as business partners through co-investment or full capital funding, supported by revenue-sharing arrangements and potential licensing opportunities.

Q5. Two new parks, ESCAPE Challenge Putrajaya and Johor Bahru, were fully operational in FY2025 but incurred higher initial operating costs during their ramp-up phase. When does Management expect these specific parks to achieve break-even and reach their targeted "Smiles Per Hour" (S/H) performance levels?

R5. The initial performance of ESCAPE Challenge Putrajaya and Johor Bahru is in line with Management's expectations for newly launched parks. The elevated cost base during the ramp-up phase is both planned and necessary to establish operational stability and brand presence.

Subject to present global uncertainties, particularly geopolitical tensions in the Middle East, the Management expects these parks to reach operational breakeven within approximately two years under normal economic conditions. Encouraging early signs of visitor engagement and throughput support this trajectory, and performance metrics, including "Smiles Per Hour" (S/H), will improve progressively as operations mature.

Q6. The Group's in-house management system, Cool Melon, is cited as a unique value proposition. Are there plans to monetize this technology further by licensing it to external theme park operators, or will it remain an internal proprietary tool?

R6. Cool Melon is a strategic internal asset that underpins the Group's competitive advantage. At this stage, the Group's priority is to fully leverage this system within the Group's operations rather than to externalise it prematurely.

While monetisation opportunities, including potential white labelling opportunities, may be considered, any white labelling initiative would require substantive modification costs. As such efforts must not come at the expense of the Group's core business operations in the long run, the Group will take a disciplined approach when evaluating any such opportunities.

BY ORDER OF THE BOARD
SIM LEISURE GROUP LTD.

Dato' Sim Choo Kheng
Executive Chairman
24 April 2026

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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