

Hotel Royal
LIMITED

ANNUAL REPORT 2025



Empowering People
Inspiring Progress

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VISION

To become a desirable franchise management company in Southeast Asia, renowned for delivering uniquely authentic and enriching experiences that celebrate the local cultures.

MISSION

Our mission is to build a trusted reputation as a franchise management company known for delivering memorable guest experiences, while operating with efficiency, profitability, and accountability.





Empowering People, Inspiring Progress.

Hotel Royal is steadfast in nurturing a supportive and uplifting environment where every team member feels valued, engaged, and empowered. By championing a positive workplace culture, the Group demonstrates how investing in people creates authentic guest experiences, drives sustainable growth, and builds a thriving community—both within and beyond the workplace.



CORPORATE PROFILE

Listed on the Mainboard of the Singapore Exchange since 1968, Hotel Royal Limited owns and/or operates eight hotels across Singapore, Malaysia, and Thailand. This includes its latest flagship property — Hotel Royal Signature in Kuala Lumpur — which was redeveloped and rebranded following its acquisition in 2021.

Baba House, ideally located within Melaka's UNESCO Heritage Zone, reopened in January 2023 after an extensive five-year refurbishment. This 100-room establishment is celebrated for its distinctive Peranakan architectural style and offers close proximity to Jonker Street as well as key historical landmarks such as Stadthuys (the Dutch Governor's House), A'Famosa and major retail destinations.

Beyond the hospitality sector, the Group owns Grand Complex, a prominent commercial development situated in the central business district of Wellington, New Zealand. The asset comprises approximately 278,000 square feet of lettable office and retail space, complemented by 323 parking lots.

Looking forward, Hotel Royal Limited remains committed to strategic growth, actively exploring opportunities to expand its portfolio through the acquisition of additional hotel and investment properties across the Asia-Pacific region as suitable prospects arise.

LUXURY COLLECTION

Hotel Royal Signature
Kuala Lumpur, Malaysia

BOUTIQUE COLLECTION

Baba House
Melaka, Malaysia
Burasari Resort
Phuket, Thailand

CITY HOTEL COLLECTION

Hotel Royal Singapore
Singapore
Hotel Royal Queens
Singapore
Hotel Royal Kuala Lumpur
Kuala Lumpur, Malaysia
Hotel Royal Penang
Penang, Malaysia
Hotel Royal Bangkok
Bangkok, Thailand



CATCH UP WITH THE CHAIRMAN

“ I want to express my heartfelt appreciation to all our employees. Their dedication and teamwork remain the driving force behind our success.”

Mr. Yang Wen-Wei,
Chairman



We chat with our Chairman, Mr. Yang Wen-Wei, to get an update about the Group in the year just ended and check with him about the Group's growth strategies ahead:

FY2025 marked a year of steady progress and measured transformation for Hotel Royal.

While global conditions remained fluid, the Group's continued focus on improving workplace culture has proven to be its greatest strength. Under the Board's guidance, a renewed emphasis on people development, leadership alignment and cultural integrity has reinforced not only performance, but purpose.

Chairman Mr Yang Wen-Wei shares his reflections on how the Group's culture of commitment, care, and accountability is shaping resilience across markets, empowering its people, and strengthening the foundation for sustainable growth.

1. FY2025 was a year of both achievement and adaptation. How did the Group perform during the year, and what were the key factors that shaped its overall business operations and strategic direction?

FY2025 was a year of meaningful progress for Hotel Royal. Despite a challenging business environment, we have steadily grown our revenue and profits year-on-year and continued to strengthen our operations across all markets. What I am most proud of, however, is not only what we achieved, but how we achieved it.

This year, we placed stronger emphasis on improving workplace culture — nurturing an environment where our people feel valued, supported, and motivated to give their best. We recognised that sustainable growth begins with the right mindset and shared purpose. When our teams feel engaged and connected, performance naturally follows.

2. Why does the Board view workplace culture as such a vital pillar of Hotel Royal's long-term growth and resilience?

Culture shapes every decision, large or small. From the Board's perspective, it defines how we govern, how we respond to challenges, and how we build trust with our stakeholders.

A strong workplace culture ensures that our values guide us even in uncertain times. We saw this clearly during the pandemic years — it was our people's sense of responsibility and solidarity that carried the Group forward. That experience reinforced an enduring truth: financial results are outcomes, but culture is the foundation.

By investing in our people and their environment, we are not just improving morale; we are safeguarding the organisation's future. A culture built on commitment, care, and accountability gives Hotel Royal the resilience to grow with purpose and stability for many years to come.

3. How have your main markets of Singapore, Malaysia, and Thailand performed during the year in review?

The tourism landscape across Singapore, Malaysia, and Thailand softened slightly in 2025 compared to the strong rebound of the previous year. Yet, our Group's performance has remained resilient, with most of our properties recording stable growth and improved operating efficiency.

This progress reflects the groundwork we have laid over the past few years — diversifying our guest segments, strengthening brand visibility, and, most importantly, improving workplace culture to keep our teams motivated and focused on service excellence. When our people feel engaged and take pride in what they do, it naturally translates into stronger performance, even in slower markets.

We have also encouraged greater synergy across our hotels by connecting our teams more closely. Cross-border collaborations have become valuable sources of learning and innovation — our people are sharing ideas, best practices, and even guests across markets. These new connections have created new business opportunities for us.

4. Baba House has become a cultural icon within the Group's portfolio. How is the Phase 3 expansion progressing, and what does this project represent for Hotel Royal's broader vision of growth?

Baba House has always been more than just a hotel — it represents our respect for heritage and our belief in the timeless value of authentic hospitality. The Phase 3 expansion is currently ongoing and is expected to be completed in 2027. This next chapter will allow us to add more rooms and enhanced facilities while preserving the distinctive Peranakan character that guests have come to love.

Beyond its physical expansion, Baba House embodies the values we are cultivating across the Group — pride in craftsmanship, attention to detail, and genuine care in service. The team there has shown remarkable dedication, and their enthusiasm reflects how a positive workplace culture can turn a property into a living expression of our brand.

5. You previously mentioned that the Group is not seeking inorganic expansion at this stage, choosing instead to focus on brand development, operational consolidation, and productivity — all aligned with your Five-Year Plan. Could you elaborate further on this strategic direction?

Our long-term growth strategy remains centred on strengthening what we already have. Rather than pursuing rapid expansion, we are focused on deepening our capabilities — particularly in hotel management services, where we see long-term value and differentiation.

Any investment we make moving forward must contribute to this intent. We are not interested in growth for its own sake; we want to grow in ways that strengthen our brand, our culture, and our management proficiency. Every property we operate should reflect the same standards of care, service, and accountability that define Hotel Royal.

By focusing on workplace culture, we are building an organisation that grows with purpose — where financial results are not the goal in themselves, but the outcome of doing things the right way, with integrity and pride.

6. Was the decision to lease out Hotel Royal Penang part of the Group's broader strategic repositioning?

Yes, the leasing of Hotel Royal Penang was a considered strategic move. It allows the Group to sharpen its brand focus and redeploy resources towards strengthening our core city hotel portfolio. The lease provides a stable and attractive rental income, reducing earnings volatility as we exit this market. Importantly, by retaining ownership under a long-term lease structure, we continue to benefit from the underlying real estate appreciation in Penang, Malaysia.

7. What can shareholders look forward to in terms of dividends for the financial year ended 31 December 2025?

We have maintained a consistent record of rewarding shareholders through sustainable dividends and are pleased to announce a proposed increase this year, subject to shareholder approval, reflecting our confidence in our business.

Our approach balances shareholder returns with reinvestment in the company's future. Our ability to deliver consistent returns stems from the same principle that drives our culture — commitment, care, and accountability.

8. As Chairman, what message would you like to share with employees, partners, and shareholders as Hotel Royal continues its journey of improving workplace culture and building for the future?

I want to express my heartfelt appreciation to all our employees. Their dedication and teamwork remain the driving force behind our success.

Improving workplace culture is not a short-term initiative — it is an ongoing commitment to how we work, lead, and care for one another. We are building a culture where everyone feels valued, accountability is shared, and pride in our work defines who we are.

To our shareholders and partners, thank you for your continued trust. Together, we are shaping a future where performance and purpose move in harmony — where a strong culture is the legacy we leave behind.

As the conversation drew to a close, one message resonates clearly — Hotel Royal's success is rooted in its people. A strong workplace culture, built on shared values and mutual respect, has enabled the Group to navigate challenges with confidence and composure.

Looking ahead, the Board remains steadfast in its belief that improving workplace culture is not a passing initiative but a lasting investment — one that continues to empower employees, inspire trust among stakeholders, and sustain the Group's progress well into the future.

18 March 2026

CONVERSATION WITH THE CEO

“We are the heart of Hotel Royal. Every guest interaction, every act of teamwork, every display of professionalism defines who we are.”

Mr. Lee Chou Hock,
Group CEO



We also chat with the Group's CEO Mr. Lee Chou Hock about the Group's operational performance and forward strategies:

At the heart of Hotel Royal's progress lies a simple truth — culture drives performance.

FY2025 saw the Group deepen its investment in people and workplace transformation, reaffirming that long-term success is built not only on sound business fundamentals but on teams who feel empowered, cared for and accountable.

Group CEO Mr Lee Chou Hock shares how improving workplace culture has become a central pillar of the Group's strategy — translating values into action and purpose into performance.

1. Mr Lee, improving workplace culture has been a defining priority for Hotel Royal. What does “empowering our people” truly mean to you and your leadership team?

Empowering our people means trusting them — not only to perform tasks but to make decisions, take initiative, and grow with the organisation. Our goal is to create an environment where every employee feels valued, respected, and heard; where care and accountability are not directives but shared beliefs.

True empowerment is about confidence — giving people the tools, clarity, and support to take ownership of their work and contribute ideas that move us forward. When our people feel that sense of belonging and purpose, they naturally deliver their best. That is the culture we are building — one that combines empathy with excellence.

2. How would you describe the culture at Hotel Royal today — and what are the biggest shifts you've seen since placing workplace culture at the heart of your strategy?

The most visible change is the level of engagement. Our people are speaking up more, collaborating more, and showing a stronger sense of ownership in how they serve guests and support one another.

Previously, culture was seen as something abstract — something that “belonged” to HR or leadership. Today, it is lived every day - in how we make decisions, solve problems, and celebrate small wins together. This shared sense of purpose has become the foundation of our progress and continues to strengthen Hotel Royal's identity as one team with one standard of care.

3. What practical steps have you taken to build a culture of commitment, care, and accountability across different departments and properties?

We began by improving communication and connection. Regular townhalls, property visits, and feedback channels allow ideas to flow both ways — keeping leadership grounded and staff informed.

We also refreshed our training and recognition programmes to strengthen engagement and reinforce desired behaviours. These initiatives help us develop talent, retain our best people, and reward teamwork and service excellence.

Equally important, we've empowered hotel management teams to localise our cultural values, ensuring they come alive in ways that reflect each property's unique character. This combination of structure and local ownership has made our culture real and relatable across the Group.

4. How do you encourage managers and supervisors to become cultural champions— ensuring that values translate into daily actions, not just policies?

Culture is assimilated through example, not instruction. We focus on developing leaders who listen actively, coach meaningfully, and lead with consistency and empathy.

We measure leadership not just by operational results but by how teams work together — whether people feel supported, respected, and accountable to one another. When managers embody the values of care, discipline, and humility, those around them naturally follow. That's how culture becomes self-sustaining — not top-down, but lived day to day.

5. You've mentioned that culture impacts not just employees but also the guest experience. How has a more positive workplace culture shaped service quality and guest satisfaction?

The guest experience is always an extension of the employee experience. When our staff feel respected, supported, and proud of what they do, it shows in every interaction. A genuine smile, a thoughtful gesture, or a small act of care — these moments are what make our service memorable.

Over the past year, we've seen clear improvement in guest satisfaction and repeat patronage across our properties. Guests often comment on the warmth and attentiveness of our teams, and that is no coincidence — it reflects the stronger sense of purpose our people now feel.

Our brand promise, "**Every Room A Home**", captures this perfectly. When our employees feel at home in their workplace — valued, trusted, and cared for — they naturally extend that feeling to our guests. That is the essence of hospitality, and it's why improving workplace culture remains at the heart of everything we do.

6. How are you using training, leadership development, and recognition programmes to strengthen engagement and build pride among your teams?

We've strengthened our approach to training by focusing not only on technical skills but also on mindset — developing leadership, empathy, and service excellence at every level. Our goal is to build confidence and consistency in how we deliver the Hotel Royal experience.

At the same time, our recognition initiatives — from performance awards to peer nominations — celebrate individuals who exemplify our values. Simple acts of appreciation go a long way. When people feel seen and valued, they take greater pride in their work. That sense of belonging sustains motivation and service quality across all our hotels.

7. How has your loyalty programme, Royal Rewards, progressed?

Royal Rewards was created to recognise our loyal guests and deepen our relationship with them. The programme has been launched at Baba House, and we've been actively gathering feedback to refine its features and address early teething issues.

We're now working with the Hotel Royal Signature team on the next rollout, with the goal of including every hotel under our management in time. This initiative is about more than points or perks — it reflects the same philosophy as our cultural journey: building genuine, lasting relationships founded on care, trust, and consistency.

When guests feel appreciated and connected, they return not just for convenience, but because they feel at home — which perfectly embodies our brand promise, "**Every Room A Home**".

8. As the Group looks ahead, how will you continue nurturing a culture that balances accountability with care, and ambition with purpose?

We will continue strengthening leadership at all levels, fostering open dialogues, and measuring engagement as closely as financial performance.

Our aim is to make culture self-sustaining — where accountability drives standards and care drives belonging. When these two forces work in harmony, ambition naturally aligns with purpose. That balance is what allows Hotel Royal to grow responsibly and meaningfully.

9. Finally, what is your message to employees who are driving this transformation from within — the people who bring Hotel Royal's culture to life every day?

We are the heart of Hotel Royal. Every guest interaction, every act of teamwork, every display of professionalism defines who we are.

Our commitment and care make our culture real. Together, we are building something lasting — not just a workplace, but a community where every room, every role, and every person matters. This is how we live our promise of "**Every Room A Home**".

In summary, I would add that by investing in our work culture, the Group is investing in its future — creating workplaces where individuals find pride in their profession and purpose in their contribution.

As we continue to evolve, our greatest differentiator remains unchanged — our people, united by a shared belief that when culture thrives, everything else follows.

18 March 2026

BUSINESS REVIEW

HOSPITALITY

In 2025, revenue from the Group's hotel operations grew by 12.4% to \$66.5 million, boosted by higher room and F&B contributions from Hotel Royal Signature, Hotel Royal

Kuala Lumpur and Burasari Phuket. This led to a growth in earnings before interest and tax which reached S\$15.1 million.

SINGAPORE



During the year in review, revenue from our two hotels in Singapore declined by 5.6% to \$28.3 million, primarily due to softer average room rates and lower F&B revenue amid increased market competition and renovations of the all-day dining restaurant at Hotel Royal Queens.

In 2025, Singapore saw moderate year-on-year growth, welcoming 16.9 million international visitors. This increase was fueled by the growth in Meetings, Incentives, Conferences, and Exhibitions (MICE) and large-scale entertainment events, visa-free travel arrangements with China, and strong arrival numbers from regional markets.

Looking ahead, Singapore's tourism outlook for 2026 is projected to face ongoing challenges, influenced by the robust Singapore dollar and evolving travel patterns resulting from geopolitical tensions and the global economic slowdown. The market is transitioning into a mature phase rather than experiencing rebound growth. Key growth drivers for tourism in 2026 are expected to include the expansion of experiential tourism offerings, a strong pipeline of global events and conferences, as well as sustained demand from Mainland China and the regional ASEAN markets. To address these changes, the Group will target specific market segments, adjust prices to boost revenue, use digital tools and improve operations to handle labour shortages, and keep investing in staff training to stand out in service quality.

MALAYSIA



Revenue from our hotels in Malaysia increased by 30.9% to \$20.8 million in 2025. The full inventory at Hotel Royal Signature in January 2025, alongside improved performance from Hotel Royal Kuala Lumpur, significantly contributed to the Group's strong results. The year 2025 marked a resurgence for Malaysian tourism, characterised by robust inbound growth, enhanced international engagement, and strategic preparation for future expansion. Kuala Lumpur continued to serve as a key gateway with an expanding portfolio of hospitality assets while Melaka leveraged on its heritage and events to maintain momentum. Regional demand remained a primary driver, with Singapore, Indonesia, China, Thailand and India consistently among the top source markets. Increased flight connectivity and streamlined visa policies further improved accessibility and boosted arrival numbers.

Looking ahead, 2026 is poised for accelerated growth, backed by an ambitious target of 47 million international visitors during Visit Malaysia Year 2026. Efforts will focus on diversified value propositions, targeted marketing campaigns, and strengthened positioning in high-yield tourism segments, advancing Malaysia toward tourism maturity and sustained competitiveness within Southeast Asia. To further enhance growth potential, the Group will implement digital marketing initiatives and expand connectivity to new source markets, particularly targeting segments such as MICE and cultural tourism.

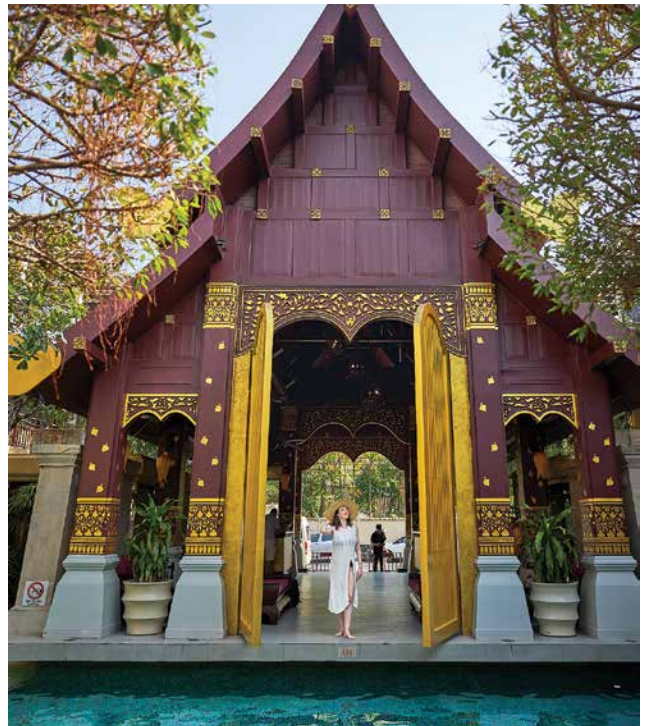
THAILAND

Thailand saw a 7.2% dip in international tourist arrivals in 2025, reaching 32.9 million – the first decline since post-COVID recovery, due to global headwinds and regional competition. Despite this, our two properties in Thailand generated an increase of 30.6% in total revenue, to \$17.5 million in 2025.

The growth was driven by completed renovations at Burasari Phuket, higher room rates and improved room inventory. Food and Beverage revenue also rose with increased occupancy and successful upselling strategies.

In contrast, Hotel Royal Bangkok experienced lower occupancy and demand in the second and third quarter of 2025, attributed to decreased arrivals from Mainland China and ongoing competition from regional destinations like Vietnam and Indonesia.

In 2026, Tourism Authority of Thailand (TAT) aims to boost tourism by prioritising quality visitors, targeting 26.7 million international visitors and THB 2.78 trillion in revenue. Its strategies focus on premium segments (higher spend, longer stays) and sustainable growth. The Group's Bangkok and Phuket properties are expected to benefit from the increased focus on business travel, MICE, urban culture and heritage tourism.



BUSINESS REVIEW

PROPERTY INVESTMENTS

The Group's portfolio of investment properties, which generates recurring rental income, comprises assets located in Singapore, Malaysia, and New Zealand.

Revenue from the Group's property investments remained stable at \$6.9 million during the period under review.

SINGAPORE



- Metro Residence is a freehold 14-storey residential development situated on the northern side of Surrey Road, off Newton Road, approximately 5 kilometres from the city centre. The property comprises a total lettable area of approximately 1,720 square metres, located within a predominantly residential enclave that also features select commercial amenities near Novena MRT station. Prominent developments in the vicinity include Hotel Royal Singapore, United Square, Novena Square, Velocity, and Mt. Elizabeth Novena Hospital as well as the upcoming North-South Corridor. The Group holds a 91.63% ownership stake in the property, while the remaining 8.37% is held by a related entity.
- Kapo Factory Building is a freehold light industrial complex featuring two sub-blocks of 7-storey flatted factories, located on the eastern side of Playfair Road, off Upper Paya Lebar Road, approximately 8 kilometres from the city centre. The Group owns one strata unit within the building, covering an area of about 157 square metres.
- Tong Lee Building is a freehold light industrial property with two 10-storey blocks, located on Kallang Pudding Road near Macpherson and Aljunied Roads, about 7 kilometres from the city centre. The Group holds four strata units in this building, totaling 1,108 square metres of lettable area.

Outlook:

The Singapore residential property market is expected to remain broadly stable in 2026, with the Property Price Index (PPI) projected to record marginal growth of up to 1%. This projection indicates a continued moderation following several years of firm price increases, suggesting that the market is likely to transition into a more balanced phase amid prevailing economic uncertainties.

Economic performance and employment trends are expected to play a pivotal role in shaping buyer sentiment. Singapore's GDP growth for 2026 is projected to be moderate, ranging between 1% and 2% year-on-year, amid a subdued global outlook and ongoing geopolitical and trade-related uncertainties. The unemployment rate is likely to remain stable at approximately 2.6%, providing some support for housing demand. However, buyers may continue to exercise caution.

Although interest rates have eased in response to reductions by the US Federal Reserve since late 2024, financing conditions are expected to stay relatively elevated compared to previous periods characterised by exceptionally low rates. Consequently, affordability challenges may persist, limiting speculative activity and maintaining measured transaction volumes.

Attention remains focused on external risks, including geopolitical tensions, potential changes in global trade policies, and broader macroeconomic volatility, all of which could impact market confidence.

The Group further expects demand for light industrial properties to demonstrate resilience in 2026.

MALAYSIA - PENANG



Penang Plaza is a freehold commercial complex connected to Hotel Royal Penang by a bridge. This 10-storey building features a mix of retail and office spaces, providing a total lettable area of 5,956 square metres — 2,378 square metres of which are dedicated to retail and offices - and features 88 parking lots. Major tenants include Giant, Guardian, and Noble Season Chinese Restaurant. The Group fully owns the property.

Hotel Royal Penang, also wholly owned by the Group, is a freehold hotel strategically located on Jalan Burma at its intersection with Jalan Larut. The property occupies a land area of approximately 3,495 square metres and comprises a hotel building with a built-up area of approximately 28,569 square metres.

During the financial year, the sites for both Hotel Royal Penang and Penang Plaza underwent amalgamation and subdivision, further increasing their development potential.

Outlook:

Penang's dual economic drivers — manufacturing, particularly in high-tech and semiconductor-related industries, and services, including tourism and the digital economy — are expected to continue underpinning the state's economic performance in 2026. This diversified economic base supports sustainable growth and ongoing employment opportunities.

Tourism looks set to continue bouncing back in 2026, supported by improved regional connectivity, steady visitor arrivals, and ongoing marketing efforts. However, the pace of growth may moderate in line with global economic conditions and travel sentiment.

Meanwhile, Penang has several major infrastructure projects at different stages of progress. Over time, these projects should make it easier to get around the state and boost the appeal of local real estate, though the overall effect will depend on when these projects are finished and on wider market trends.

NEW ZEALAND - WELLINGTON

Grand Complex Properties comprises Grade B offices, retail outlets, parking facilities, and redesigned food hall. Located at 16-18, 20-42 Willis Street, and 80 and 84 Boulcott Street, these properties are part of the Retail Golden Mile. The total leasable area amounts to 25,812 square metres, complemented by 323 parking spaces. The Group holds full ownership of these properties.



Outlook:

New Zealand's real estate market in 2026 is expected to be mixed, with some regions stabilising and others facing ongoing challenges. Market performance continues to vary significantly across cities. Wellington, Auckland and Hamilton are likely to see subdued activity due to cautious buyers and affordability constraints, while Christchurch and Dunedin may improve slightly thanks to stronger local demand.

The rental market will likely remain soft, with low single-digit growth below long-term historical averages. Rents in Auckland should remain stable, while Dunedin could see stronger rental growth, driven by local demand.

Overall, the outlook depends on interest rate movements, employment conditions and broader economic performance, which will continue to influence buyer and investor confidence.

IN SUMMARY

The Group expects room demand to recover gradually as travel normalises in 2026. While the long-term outlook for the hospitality industry remains positive, it is essential to remain vigilant against potential headwinds that may affect growth in Singapore, Malaysia and Thailand.

These include ongoing economic and geopolitical uncertainties, including ongoing tensions in the Middle East, which may affect global travel sentiment, with the associated risk of elevated oil prices, placing additional cost pressures on the aviation sector. Additional risks include supply chain disruptions within the aviation sector, safety and security concerns, evolving visa policies, environmental and sustainability considerations, as well as infrastructure and logistical constraints. Such factors could moderate the pace of recovery in international travel and tourism-related activities.

In addition, fluctuations in the exchange rates of the New Zealand dollar, Malaysian ringgit and Thai baht against the Singapore dollar are expected to continue influencing the Group's overall financial performance.

BOARD OF DIRECTORS



MR. YANG WEN-WEI
Independent Non-Executive Chairman

Mr. Yang Wen-Wei joined the Board of Directors as an Independent Non-Executive Director on 28 April 2018 and was appointed as Non-Executive Chairman of the Board on 25 April 2025.

He serves as the Chairman of the Remuneration and Nominating Committees and is also a member of the Audit and Risk Committee. Mr. Yang was last re-appointed as a director on 30 April 2022.

He is currently the Executive Operating Officer at Merdeka Construction Company Pte Ltd, a family-run business. With experience in sales and business development within the Information Technologies industry, Mr. Yang has worked for various international companies and start-ups, focusing on customised, technology-driven solutions. He has collaborated with data analytics companies to provide data analysis services to clients.

Mr. Yang holds a Master of Science degree in Electrical Engineering (Wireless Engineering) from Northeastern University in the United States.



MR. LEOW CHUNG CHONG YAM SOON, PAUL
Independent Non-Executive Director

Mr. Leow Chung Chong Yam Soon, Paul was appointed to the Board of Directors on 1 May 2023 as an Independent Non-Executive Director. He was re-designated as the Non-Executive Chairman of the Audit and Risk Committee on 28 February 2024. He is also a member of the Remuneration and Nominating Committees. He was last re-appointed as a director on 26 April 2024.

Mr. Leow has more than 25 years of public and commercial accounting experience. He has been an audit and advisory partner at Ecovis Assurance LLP, since August 2012. Prior to that, he spent most of his career with Deloitte & Touche LLP, Singapore and left in July 2012 as an audit partner. On the professional front, Mr. Leow has served as a committee member of the Institute of Singapore Chartered Accountants (ISCA) Financial Statements Review Committee and Accounting and Corporate Regulatory Authority (ACRA) Complaints and Disciplinary Panel. Paul is currently a member of ISCA Auditing and Assurance Standards Committee Core Sub-Committee.

Mr. Leow is currently a practicing member of ISCA. He is also a Fellow Chartered Association of Certified Accounts, UK and Certified Public Accountants, USA.



MS. LELAINA LIM SIEW LI
Independent Non-Executive Director

Ms. Lelaina Lim Siew Li was appointed as Non-Executive and Independent Director and member of the Audit & Risk Committee on 1 September 2024. She was most recently re-appointed as a director on 25 April 2025. On 1 January 2026, she was appointed as Chairman of the Remuneration Committee and as a member of the Nominating Committee.

She also serves as an Independent Director at RH Petrogas Ltd, which is listed on the Mainboard of the Singapore Exchange.

Ms. Lim has over 40 years of experience in accounting and finance, holding various senior positions in organisations in Singapore and China. She is currently Special Advisor to Eu Yan Sang International Pte Ltd, a role she has held since

March 2025, and also acts as Advisor and Director at Chien Chi Tow Healthcare Pte Ltd, a subsidiary of Eu Yan Sang.

Her previous positions include Chief Financial Officer at WEO Corporation Pte Ltd from May 2024 to March 2025, Group Chief Financial Officer at Eu Yan Sang International Limited from 2017 to 2023, and Group Financial Director at AI Futtain Private Co LLC from 2014 to 2017.

She holds a Bachelor of Accountancy degree from the National University of Singapore. She is a Fellow Chartered Accountant with the Institute of Singapore Chartered Accountants, and a Senior Accredited Member of the Singapore Institute of Directors.



**MR. LEE CHOU HOR
GEORGE**
Non-Executive Director

Mr. Lee Chou Hor George was appointed to the Board of Directors as a non-independent and non-executive director on 29 June 2020 and was re-appointed on 26 April 2024.

With approximately four decades of experience in various organisations such as the Housing and Development Board, Singapore Airlines Group and Hotel Royal Group, Mr. Lee has held various senior roles in financial management, leadership, real estate, and capital markets investments. He currently serves as Managing Director for several entities within his family's group of companies.

Mr. Lee holds a Bachelor of Business Administration (Honours) and a Master of Business Administration from the Schulich School of Business (York University, Toronto, Canada), a Master of Science (Real Estate) from the National University of Singapore, and a Master of Professional Accounting from Singapore Management University. He is a Chartered Accountant (Singapore) and a Certified Internal Auditor.



MR. LEE KHIN TIEN
Non-Executive Director

Mr. Lee Khin Tien joined the Board as a Non-Executive Director on 31 December 1996 and was re-appointed on 25 April 2025. He serves as a member of the Audit and Risk Committee as well as the Nominating and Remuneration Committee.

Mr. Lee currently holds directorships at Aik Siew Tong Limited, Melodies Limited, and The Singapore-Johore Express (Private) Limited. With over 40 years of experience spanning real estate, bus transportation, and the plantation industry, he brings substantial expertise in corporate governance, business operations, and financial oversight. His broad commercial background and understanding of capital investment decisions contribute to the Board's strategic and financial deliberations.

He is a graduate of Nanyang University, holding a Bachelor of Science in Biology.



MR. LEE KIN HONG
Non-Executive Director

Mr. Lee Kin Hong joined the Board of Directors as a non-executive director on 21 June 2002 and was last re-appointed on 26 April 2024.

He is a director at The Singapore-Johore Express (Private) Limited with over 40 years' experience in commercial, industrial, and residential project management.

Mr. Lee holds a BSc (Building) and an MSc (Project Management) from the National University of Singapore and is a member of the Singapore Institute of Building. He also serves as Honourable Chairman of Sian Chay Medical Institution, a registered charity.



DR. LEE CHU MUK
Non-Executive Director

Dr. Lee Chu Muk joined the Board as a non-executive director on 27 April 2019 and was last re-appointed on 25 April 2025.

He is a director at Hong Ching Pte Ltd and serves as alternate director for The Singapore Johore Express (Private) Limited, Aik Siew Tong Limited and Melodies Limited.

A general practitioner at Singapura Clinic, Dr. Lee earned his M.B.B.S from the National University of Singapore in 2003 and has extensive experience in diagnostic imaging and managing acute and chronic medical conditions.

SENIOR MANAGEMENT



LEE CHOU HOCK
Chief Executive Officer

Mr. Lee Chou Hock has been with the Group since 1985 and oversees the management of daily operations as well as the Company's investments in its subsidiaries. Before his tenure at Hotel Royal, he was with a public accounting firm in Singapore. He holds a Bachelor of Accountancy from the University of Singapore and a Master of Business Administration in Hospitality & Tourism Management from Nanyang Technological University.



LEE ZONGYE ZACH
Deputy Chief Executive Officer

Mr. Lee Zongye Zach joined the Group in 2018 as Director of Project Development and was appointed Deputy Chief Executive Officer in December 2024. In his current role, he supports the Group Chief Executive Officer in overseeing key operational functions and driving the Group's strategic objectives. His leadership is focused on fostering long-term value creation and strengthening the Group's hospitality portfolio.

Before joining the Group, Mr. Lee built his professional foundation as an Architect and Project Manager in the United States and Singapore, gaining broad experience in design, development, and asset management. He holds a Master of Architecture from Cornell University and a Master in Real Estate from Harvard University.



DAPHNE YUAN
Chief Operating Officer

Ms. Daphne Yuan joined the Group in April 2025 as Chief Operating Officer (COO). She oversees the Group's overall operations, implementing strategic initiatives, optimizing processes, and enhancing cross-functional coordination to ensure operational excellence and support the Group's corporate objectives.

She previously served as Chief Commercial Business Officer at Asset World Corporation in Thailand. She has a Bachelor's degree in Commerce, specialising in Tourism and Marketing from Curtin University in Western Australia.



TEOW SEOK BOEY
Chief Financial Officer

Ms. Teow Seok Boey has served as Chief Financial Officer (CFO) of the Group since September 2022, overseeing all financial and accounting operations.

Prior to joining the Group, Ms. Teow was a Senior Audit Manager at an internationally recognised public accounting firm in Singapore. She holds a Bachelor of Accountancy (Honours) from University Utara Malaysia and is a member of the Malaysian Institute of Accountants.



LEE SI MIN
Country General Manager
(Singapore)

Ms. Lee Si Min joined the Group in 2020 as Assistant General Manager of Hotel Royal Queens, became General Manager in 2021, and was appointed Country General Manager (Singapore) in December 2024. Previously, she was Senior Manager at the Singapore Tourism Board and holds a Bachelor's Degree in International Hotel and Tourism Management from the University of Queensland.

OUR BUSINESS FOOTPRINT



SINGAPORE

- Hotel Royal Limited**
Owns and manages Hotel Royal and Metro Residences
- Royal Properties Investment Pte Ltd**
Investment in properties and subsidiaries
- Royal Capital Pte Ltd**
Investment in financial assets
- Hotel Royal @ Queens (Singapore) Pte Ltd**
Owns and manages Hotel Royal Queens
- Hotel Royal (Thailand) Private Limited**
Investment in subsidiaries

MALAYSIA

- Prestige Properties Sdn. Bhd.**
Investment in subsidiaries
- Faber Kompleks Sdn. Bhd.**
Owns and manages Hotel Royal Penang and Penang Plaza
- Premium Lodge Sdn. Bhd.**
Owns and manages Hotel Royal Kuala Lumpur
- Baba Residences Sdn. Bhd.**
Owns and manages Baba House
- Every Room A Home Sdn. Bhd.**
Owns and manages Hotel Royal Signature

THAILAND

- Hotel Royal Bangkok (Thailand) Co., Ltd**
Owns and manages Hotel Royal Bangkok
- Excellent Hotel (Thailand) Co., Ltd**
Investment in subsidiary
- Panali Co., Ltd.**
Owns Burasari Resort



NEW ZEALAND

- Grand Complex Properties Limited**
Owns and manages Grand Complex Properties





Heartfelt Service, Inspired by Culture

An unforgettable guest experience begins with passionate and empowered team members — whether it's the warm welcome at the front desk, the meticulous care of housekeeping, or the personalised attention in our dining services. When our people feel inspired and appreciated, they go above and beyond to exceed expectations, upholding the highest standards of hospitality. By continuously investing in our staff and cultivating a culture of motivation and excellence, Hotel Royal ensures that every guest encounter is not only exceptional but truly memorable.

CORPORATE JOURNEY



1968

Incorporated and listed on Main Board of Singapore Exchange



1969

Construction of Hotel Royal Singapore commenced



1972

Hotel Royal Singapore commenced operations



1992

Purchased Castle Mall Shopping Centre in NSW, Australia and sold in September 2002



1995

Purchased Grand Complex mixed commercial/retail development in Wellington, New Zealand



2004

- Purchased Dapenso Building in Singapore
- Purchased Hotel Royal Queens in Singapore



2007

- Disposal of Dapenso Building in Singapore
- Acquired Star Mansion in Singapore



2008

Purchased Hotel Royal Penang and Penang Plaza in Penang, Malaysia



2010

Acquired Hotel Royal Kuala Lumpur in Kuala Lumpur, Malaysia



2011

- Acquired Hotel Royal Bangkok in Bangkok, Thailand
- Redevelopment of Royal Residences (formerly Star Mansion) in Singapore completed



2014

Acquired Burasari Resort in Phuket, Thailand



2015

Acquired Baba House in Melaka, Malaysia



2019

Acquired Baba Mansion adjacent to Baba House, as part of Baba House's redevelopment



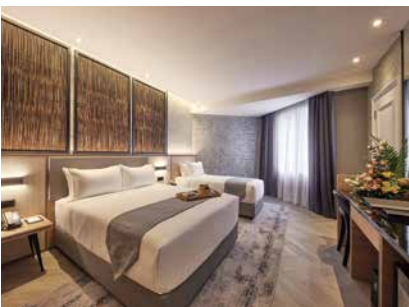
2021

Acquired Hotel Royal Signature (former Royale Chulan Bukit Bintang Hotel) in Kuala Lumpur, Malaysia.



2023

- Official opening of Baba House, Melaka in January
- Hotel Royal Signature in Kuala Lumpur soft-launched in October



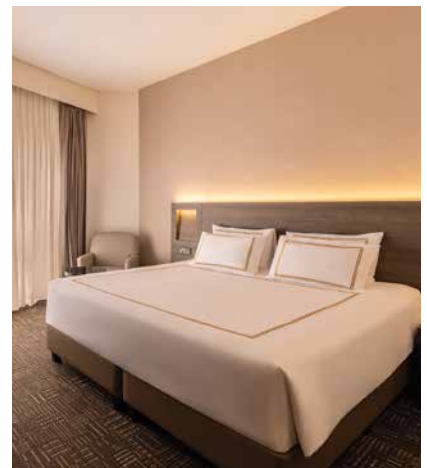
2024

- Official opening of Hotel Royal Signature in Kuala Lumpur, Malaysia
- Launched **Royal Rewards** loyalty programme



2025

- Commenced Baba House expansion
- Hotel Royal Queens achieved Global Sustainable Tourism Council (GSTC) certification



GROUP'S MAJOR PROPERTIES

Location	Name of Property	Description and Area	No. of Guest Rooms	Tenure
HOTELS				
Singapore	Hotel Royal Singapore Singapore	Land area of about 7,200 sqm Hotel building with built-up area of approximately 23,500 sqm	362	Freehold
	Hotel Royal Queens Singapore	Land area of about 1,979 sqm Hotel building with built-up area of approximately 14,605 sqm	236	Freehold
Malaysia	Hotel Royal Kuala Lumpur Kuala Lumpur	Land area of about 773 sqm Hotel building with built-up area of approximately 20,027 sqm	285	Freehold
	Hotel Royal Signature Kuala Lumpur	Land area of about 3,189 sqm Hotel building with built-up area of approximately 47,821 sqm	428	Freehold
	Baba House¹ Melaka	Land area of about 4,138 sqm Hotel building with built-up area of approximately 10,428 sqm	100	Freehold / Leasehold
Thailand	Hotel Royal Bangkok Bangkok	Land area of about 1,480 sqm Hotel building with built-up area of approximately 19,082 sqm	290	Freehold
	Burasari Resort Phuket	Land area of about 6,722 sqm Hotel building built-up area of approximately 11,441 sqm	184	Freehold
Total Number of Guest Rooms			1,885	

Location	Name of Property	Description and Area	Tenure
INVESTMENT PROPERTIES			
Singapore	Metro Residences Singapore	Land area of about 718 sqm Residential building with total lettable area of about 1,720 sqm (The Company has a 91.63% share of the above property. The remaining 8.37% is owned by a related party)	Freehold
	Kapo Factory Building Singapore	Flatted factory unit Strata floor area of about 157 sqm	Freehold
	Tong Lee Building Singapore	Factory unit Strata floor area of about 277 sqm each (total of 1,108 sqm)	Freehold
Malaysia	Penang Plaza Penang	Land area of about 5,498 sqm Shopping centre and offices with total lettable retail area of 5,956 sqm; total lettable office area of 2,378 sqm and 88 carpark lots	Freehold
	Hotel Royal Penang² Penang	Land area of about 3,495 sqm Hotel building with built-up area of approximately 28,569 sqm	Freehold
New Zealand	Grand Complex Properties Wellington	Land area of about 6,872 sqm Shopping centre and offices with lettable retail area of 4,336 sqm; Childcare of 793 sqm and lettable office area of 20,683 sqm and 323 carpark lots	Freehold

¹ 50.09% is freehold and 49.91% is leasehold

² During the current financial year, the Group transferred hotel land and building located in Penang, Malaysia from property, plant and equipment to investment properties, following a change in intended use of the property to generate rental income.

SINGAPORE



Hotel Royal Singapore



Hotel Royal Queens



Metro Residences

MALAYSIA



Hotel Royal Signature



Hotel Royal Kuala Lumpur



Hotel Royal Penang



Penang Plaza



Baba House

THAILAND



Burasari Resort



Hotel Royal Bangkok

GROUP'S FINANCIAL HIGHLIGHTS

	2025	2024	2023	2022	2021
For the year (\$'000)					
Revenue	74,140	66,753	58,340	41,890	26,280
Gross Profit	34,401	30,596	30,097	18,441	6,643
Earnings (Loss) before Interest, Taxation, Depreciation and Amortisation (EBITDA)	26,520	24,477	22,353	12,733	(71)
Profit (Loss) before income tax	13,321	9,860	8,035	(1,629)	(10,317)
Net Profit (Loss) attributable to Owners of the Company	10,035	6,686	5,014	(3,207)	(10,037)
Finance Costs	(5,824)	(7,538)	(8,356)	(5,797)	(4,163)
Cash from (used in) Operating Activities	17,325	11,354	8,238	6,968	(3,033)
Capital Expenditure	6,302	13,941	18,398	10,222	74,297
At year end (\$'000)					
Total Assets	935,771	898,325	864,080	860,505	827,698
Total Liabilities	193,904	193,060	186,197	198,722	220,507
Total Equity	741,867	705,265	677,883	661,783	607,191
Cash and Bank Balances	24,430	19,559	22,658	47,023	29,139
Property, Plant & Equipment	707,218	711,161	672,412	644,157	615,647
Investment Properties	166,376	130,424	133,362	136,210	144,212
Total Borrowings	159,250	162,695	158,730	174,305	196,131
Asset Revaluation Reserve	433,563	412,464	394,998	371,831	337,709
Financial Ratios					
Revenue Growth (%)	11.07	14.42	39.27	59.40	(14.17)
Net Profit Growth (%)	50.09	33.35	256.35	68.05	47.88
Revalued Net Assets Value (RNAV) (\$'million) ⁽¹⁾	876.05	848.56	812.08	779.71	723.20
Debt to RNAV (times)	0.18	0.19	0.20	0.22	0.27
Per Share Information					
Earnings (Loss) per Share (cents) before Income Tax	11.01	8.15	6.64	(1.59)	(10.21)
Earnings (Loss) per Share (cents) after Income Tax	8.30	5.53	4.15	(3.12)	(9.93)
Net Assets Value (NAV) per Share (\$)	6.13	5.83	5.60	5.47	6.02
Revalued Net Assets Value (RNAV) per Share (\$) ⁽¹⁾	7.24	7.02	6.71	6.45	7.17
Dividend per Share (\$)	0.030	0.027	0.025	0.025	0.025
Number of Shares					
Number of Shares as at year end (million)	120.960	120.960	120.960	120.960	100.800
Weighted average number of Shares (million)	120.960	120.960	120.960	102.740	101.049
Market capitalisation (\$'million)					
at year end	247.97	214.10	226.20	246.76	312.48

⁽¹⁾ The revaluation surplus (net of tax effect) arising from leasehold land and buildings have been included in determining the Revalued Net Assets Value.

VALUE-ADDED STATEMENT

	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
Revenue earned	74,140	66,753	58,340	41,890	26,280
Less: Cost of sales	(39,739)	(36,157)	(28,243)	(23,449)	(19,637)
Gross value-added from operations	34,401	30,596	30,097	18,441	6,643
Other income	2,977	2,888	4,361	4,001	12,841
Other expenses	(427)	(106)	(705)	(4,585)	(13,061)
Net foreign exchange adjustment (loss) gain	(402)	391	633	(1,488)	(1,413)
Total value-added	36,549	33,769	34,386	16,369	5,010
Distribution:					
To employees in salaries and other related costs	20,245	17,298	15,295	11,278	7,999
To government in corporate and other taxes	3,286	3,174	3,021	1,579	280
To providers of capital:					
- Interest paid on borrowing from banks	5,824	7,538	8,356	5,797	4,163
Retained for re-investment and future growth:					
- Depreciation and amortisation	7,375	7,079	5,962	5,702	6,083
- Accumulated profits (losses)	1,625	603	4,089	(5,600)	(19,580)
Non-production costs and income:					
- Allowance for doubtful receivables	159	3	18	193	154
- Bad debt expense	35	-	-	204	-
- Bad debt recovered	-	-	(11)	-	-
- Write back of allowance for doubtful receivables	-	-	(29)	(265)	(222)
- Fair value (gain) loss on investment properties	(2,220)	(659)	618	236	(880)
- Fair value gain on derivative financial instruments	-	-	-	-	(196)
- Impairment loss on property, plant and equipment	220	-	-	-	7,209
- Reversal of impairment loss on property, plant and equipment	-	(1,267)	(2,933)	(2,755)	-
Total distribution	36,549	33,769	34,386	16,369	5,010
PRODUCTIVITY DATA					
Number of employees	648	632	608	424	431
Value-added per employee (\$'000)	56.40	53.43	56.56	38.61	11.62
Value-added per \$ of employee cost	1.81	1.95	2.25	1.45	0.63
Value-added per \$ revenue earned	0.49	0.51	0.59	0.39	0.19
Value-added per \$ of investment in investment properties, property, plant and equipment	0.04	0.04	0.04	0.02	0.01



A photograph of two hotel staff members in dark blue uniforms and white shirts. The woman in the foreground is smiling and looking towards the left. The woman in the background is partially visible, also smiling. The background is a blurred indoor setting.

Empowering our People, Elevating our Brand

At Hotel Royal, we believe empowerment and engagement are the cornerstones of innovation and productivity. We prioritise the well-being and growth of our staff through competitive compensation, meaningful recognition, and comprehensive training within a supportive and inclusive environment. When our people feel valued and motivated, they deliver exceptional service that inspires memorable guest experiences. This enduring commitment fosters loyalty, strengthens our brand, and drives sustainable growth for our community.



OPERATION AND FINANCIAL REVIEW

The Group's core activities are as follows:

A) HOTEL OPERATIONS

The Group owns and/or operates a portfolio of 8 hotels in Singapore, Malaysia and Thailand:

Singapore

Hotel Royal Singapore
Hotel Royal Queens

Malaysia

Hotel Royal Kuala Lumpur
Hotel Royal Penang
Baba House, Melaka
Hotel Royal Signature, Kuala Lumpur

Thailand

Hotel Royal Bangkok
Burasari Resort, Phuket

B) PROPERTY INVESTMENTS

The Group's investment properties, which derive rental income, are located in Singapore, Malaysia and New Zealand.

C) FINANCIAL INVESTMENTS

The Group also invests in a portfolio of shares, bonds, funds and other investment instruments to generate a stable stream of income through interest, dividends, and capital appreciation.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (extract)

Year ended 31 December 2025

	2025 \$'000	2024 \$'000	Change %
Revenue			
Hotel operations segment	66,535	59,215	12.4
Property investments segment	6,914	6,921	(0.1)
Financial investments segment	691	617	12.0
Total revenue	74,140	66,753	11.1
Less: Cost of sales	(39,739)	(36,157)	9.9
Gross profit	34,401	30,596	12.4
Less: Administrative expenses	(17,404)	(16,371)	6.3
Add: Other income	2,977	3,279	(9.2)
Less: Other expenses	(829)	(106)	>100
Less: Finance costs	(5,824)	(7,538)	(22.7)
Profit before income tax	13,321	9,860	35.1
Less: Income tax expense	(3,286)	(3,174)	3.5
Profit for the year attributable to owners of the Company	10,035	6,686	50.1

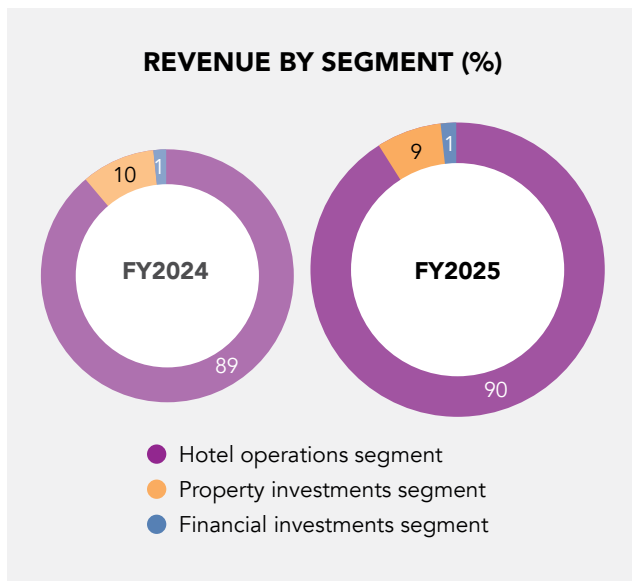
OPERATION AND FINANCIAL REVIEW

REVENUE

The Group's revenue includes proceeds from room sales, food and beverage (F&B) operations, as well as income from investment properties and financial instruments.

In FY2025, the Group's hotel segment recorded a 12.4% increase in revenue to \$66.5 million. This growth was supported by improving economic conditions and resilient consumer spending in the region.

Revenue by segment	Financial year ended 31 Dec				Increase (Decrease)	
	2025		2024		\$'000	%
	\$'000	%	\$'000	%	\$'000	%
Hotel operations segment	66,535	90	59,215	89	7,320	12.4
Property investments segment	6,914	9	6,921	10	(7)	(0.1)
Financial investments segment	691	1	617	1	74	12.0
	74,140	100	66,753	100	7,387	11.1



In terms of segmental revenue, sales from all 3 divisions rose by 11.1% to \$74.1 million in FY2025.

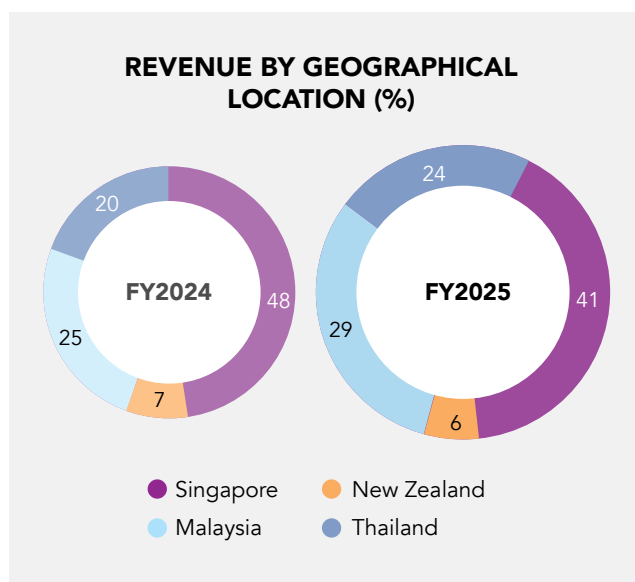
This was led by the Group's hotel revenue which jumped 12.4% to \$66.5 million thanks to the increase in travel demand in both business and leisure travel across Thailand and Malaysia.

Property investment revenue, primarily derived from rental income generated by the Group's properties in Singapore, New Zealand and Malaysia, remained stable at \$6.9 million for the financial year.

Revenue from financial investments increased by 12.0% year-on-year to \$0.7 million.



Revenue by geographical location	Financial year ended 31 Dec				Increase (Decrease)	
	2025		2024		\$'000	%
	\$'000	%	\$'000	%	\$'000	%
Singapore	30,220	41	31,651	48	(1,431)	(4.5)
Malaysia	21,896	29	16,930	25	4,966	29.3
Thailand	17,504	24	13,403	20	4,101	30.6
New Zealand	4,520	6	4,769	7	(249)	(5.2)
	74,140	100	66,753	100	7,387	11.1



In terms of geographical locations, Singapore was still the largest market for the Group, making up 41% of total revenue. Malaysia was our second largest market, accounting for 29%, followed by Thailand 24% and New Zealand 6%.

On a geographical basis, the Group's operations in Malaysia recorded improved performance, primarily attributable to the full room inventory contribution from Hotel Royal Signature in Kuala Lumpur.

Revenue from Thailand grew by 30.6% to \$17.5 million, while Malaysia recorded a 29.3% rise to \$21.9 million. In contrast, revenue from Singapore declined by 4.5%, to \$30.2 million.

Rental income from the Group's investment properties in New Zealand decreased by 5.2%, contributing \$4.5 million to the Group's overall revenue.



OPERATION AND FINANCIAL REVIEW

PROFITABILITY

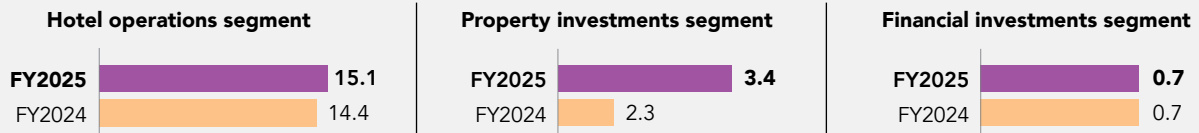
In the year under review, the Group's gross profit increased by 12.4% to \$34.4 million.

However, other income declined by 9.2% to \$3.0 million, primarily due to the absence of a write-back of impairment loss on property, plant and equipment. This was partially offset by higher fair value gains on investment properties recognised during the current financial year.

Other expenses increased to \$0.8 million, primarily due to foreign exchange losses arising mainly from the revaluation of fund investments denominated in United States dollars, following the depreciation of the US dollar against the Singapore dollar and impairment loss on property, plant and equipment.

Consequently, the Group achieved a notable 35.1% improvement compared to the preceding year, recording a pre-tax profit of \$13.3 million in FY2025.

PROFITABILITY BY SEGMENT (\$'million)



Profitability by segment	Financial year ended 31 Dec				Increase (Decrease)	
	2025		2024		\$'000	%
	\$'000	%	\$'000	%	\$'000	%
Hotel operations segment	15,089	79	14,379	83	710	4.9
Property investments segment	3,403	18	2,305	13	1,098	47.6
Financial investments segment	653	3	714	4	(61)	(8.5)
Profit before interest and income tax	19,145	100	17,398	100	1,747	10.0

The Group's profit before interest and income tax increased by \$1.7 million to \$19.1 million in FY2025, with the largest contribution coming from its property investments segment, which saw a 47.6% increase in profit before interest and income tax, reaching \$3.4 million.

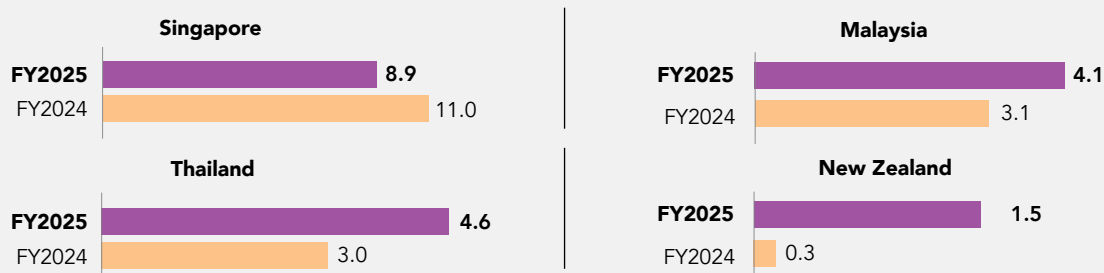
The hotel operations segment experienced an uplift of 4.9%, to \$15.1 million.

In the meantime, the financial investments segment reported a profit before interest and income tax of \$0.7 million in FY2025.





PROFITABILITY BY GEOGRAPHICAL LOCATION (\$'million)



Profitability by geographical location	Financial year ended 31 Dec				Increase (Decrease)	
	2025		2024		\$'000	%
	\$'000	%	\$'000	%	\$'000	%
Singapore	8,938	47	10,964	63	(2,026)	(18.5)
Malaysia	4,133	21	3,128	18	1,005	32.1
Thailand	4,564	24	3,027	17	1,537	50.8
New Zealand	1,510	8	279	2	1,231	>100
Profit before interest and income tax	19,145	100	17,398	100	1,747	10.0

Boosted by the overall increase in revenue, the Group's profit before interest and income tax rose to \$19.1 million in FY2025.

In Singapore, profit before interest and income tax amounted to \$8.9 million, representing a year-on-year decline of \$2.0 million, attributable to softer market conditions.

Malaysia recorded a profit before interest and income tax of \$4.1 million, supported by the higher room inventory availability following the completion of renovation works at the Group's Kuala Lumpur property.

Thailand reported a higher profit before interest and income tax of \$4.6 million, mainly driven by the increased number of available rooms during the year. With the full inventory restored to operations, the newly renovated rooms achieved higher average room rates, contributing to the stronger performance.

New Zealand posted a higher profit before interest and income tax of \$1.5 million, primarily driven by a higher fair value gain on investment properties in FY2025.

OPERATION AND FINANCIAL REVIEW

CASHFLOW

In FY2025, the Group generated \$17.3 million in operating cash flow from its operations and activities, and invested a total of \$4.0 million, primarily for capital expenditure related to renovation and upgrading works across various hotels. The net cash outflow of \$8.8 million from financing activities was mainly due to dividend payments and net repayment of bank borrowings during the financial year.

As of 31 December 2025, the Group's cash and bank balances stood at \$24.4 million.

GROUP CASH AND BANK BALANCES

	FY2025 \$'000	FY2024 \$'000	FY2023 \$'000	FY2022 \$'000	FY2021 \$'000
Cash on hand	124	188	174	124	113
Cash at bank	20,489	15,710	15,124	13,069	16,703
Fixed deposits	3,817	3,661	7,360	33,830	12,323
Total	24,430	19,559	22,658	47,023	29,139

The Group's cash and bank balances comprise cash on hand and at bank as well as fixed deposits. The fixed deposits of subsidiary companies are pledged for loan facilities which are secured by a mortgage over the subsidiary's freehold hotel property, investment property, fixed and floating charges on all the assets of the subsidiary, subordination of intercompany advances made to the subsidiary, fixed deposits and corporate guarantees from the Company.

The short-term fixed deposits earn interest ranging from 1.13% to 2.75% per annum, with terms ranging from one month to twelve months.

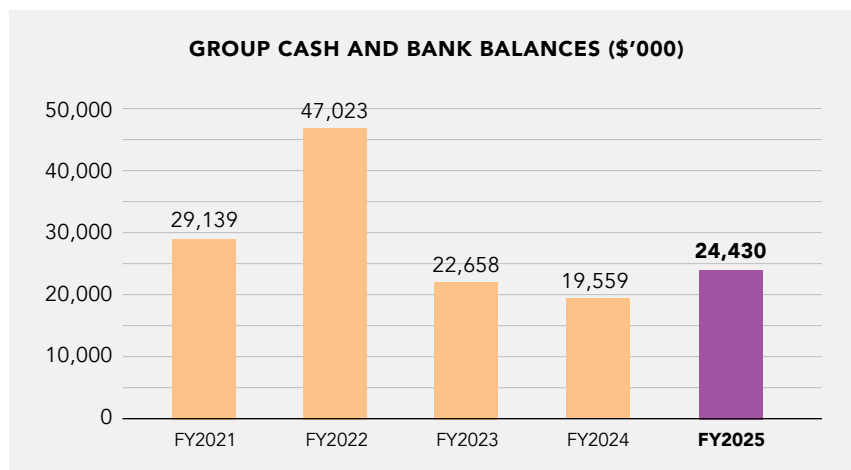
The increase was derived from the operating activities of the hotel, investment properties and fund management, mainly due to improving economic conditions and resilient consumer spending in the region.

The decrease was mainly due to lower costs incurred for renovation and upgrading works during the financial year.

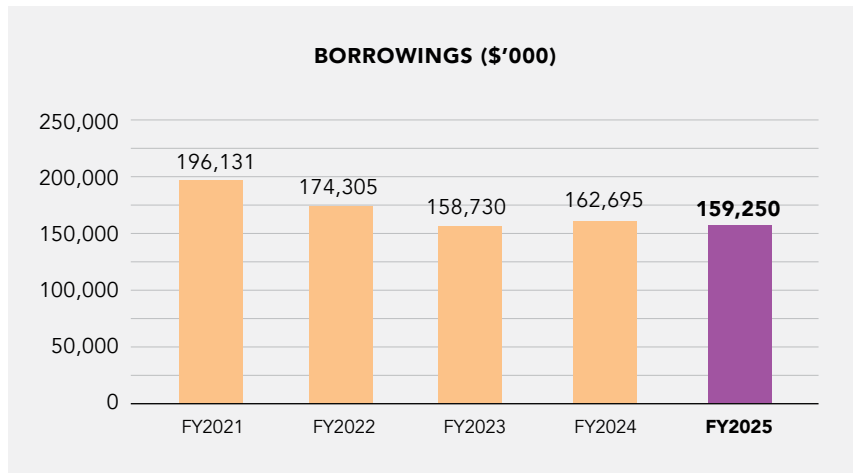
The increase was due to higher net repayment of bank borrowings during the financial year.

- Net cash from operating activities
 - Net cash used in investing activities
 - Net cash used in from financing activities
- Net increase (decrease) in cash and cash equivalents
- Cash and cash equivalents at end of year**

	2025 \$'000	2024 \$'000
Net cash from operating activities	17,325	11,354
Net cash used in investing activities	(3,985)	(13,044)
Net cash used in from financing activities	(8,800)	(1,794)
Net increase (decrease) in cash and cash equivalents	4,540	(3,484)
Cash and cash equivalents at end of year	22,607	17,809



	FY2025 \$'000	FY2024 \$'000	FY2023 \$'000	FY2022 \$'000	FY2021 \$'000
Secured borrowings	159,250	162,695	158,730	174,305	196,131



OPERATION AND FINANCIAL REVIEW

The Group's borrowings comprise short-term and long-term bank loans.

From FY2020 and FY2021, the Group's borrowings increased from new loan drawdowns for the acquisition of Hotel Royale Chulan Bukit Bintang, the redevelopment of Baba House and the upgrading of Grand Complex in New Zealand.

From FY2021 to FY2023, the Group's bank borrowings have decreased as the Group had repaid part of its bank loans.

From FY2023 to FY2024, the Group's borrowings increased from new loan drawdowns for the renovation and upgrading works in Hotel Royal Signature.

STATEMENTS OF FINANCIAL POSITION (extract)

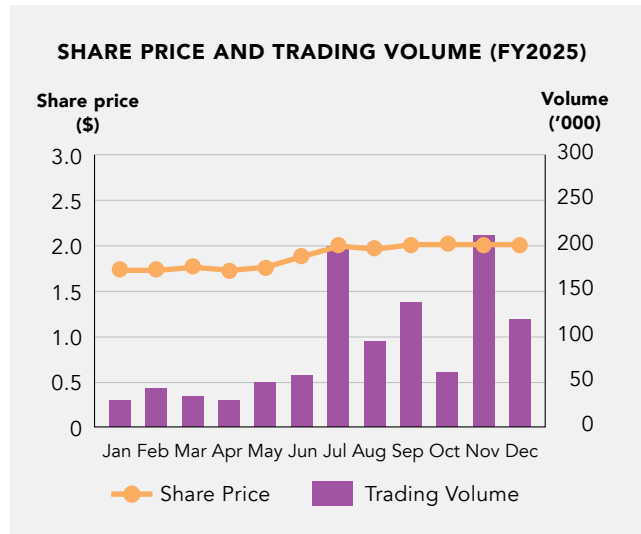
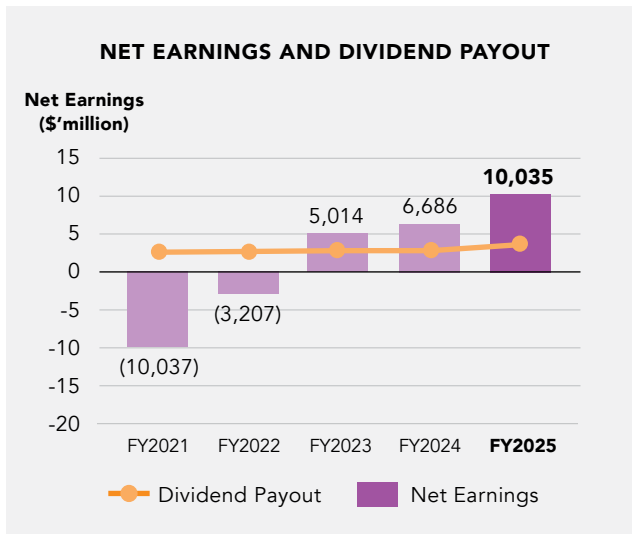
31 December 2025

	2025 \$'000	2024 \$'000	Change %	
<p>The Group's total shareholders' equity rose 5.2% to \$741.9 million mainly due to the increase in assets revaluation reserve primarily arising from increase in land valuation from 2 hotels in Singapore and revaluation gain on property, plant and equipment upon transfer to investment properties.</p> <p>In FY2025, the Group continued to upgrade its hotel and investment properties progressively, and to enhance its market share in these countries.</p> <p>Total Assets increased by \$37.4 million or 4.2% as of 31 December 2025, primarily driven by the following factors:</p> <ul style="list-style-type: none"> - An increase in valuation of the Group's freehold land by \$10.3 million, renovation and upgrading costs amounting to \$5.3 million, and a foreign exchange gain of \$8.6 million arising from translation of property, plant and equipment in Malaysian Ringgit and Thai Baht into Singapore Dollars. - A revaluation gain of \$12.0 million on property, plant and equipment upon transfer to investment properties following management's intention to hold these properties for long term rental income and a fair value gain of \$2.2 million on investment properties. 	<p>Total Assets</p> <ul style="list-style-type: none"> - Property, plant and equipment - Investment properties - Investments - Inventories - Trade receivables and other receivables - Cash and bank balances 	<p>935,771</p> <p>707,218</p> <p>166,376</p> <p>29,568</p> <p>948</p> <p>5,730</p> <p>24,430</p>	<p>898,325</p> <p>711,161</p> <p>130,424</p> <p>31,083</p> <p>885</p> <p>4,228</p> <p>19,559</p>	<p>4.2</p> <p>(0.6)</p> <p>27.6</p> <p>(4.9)</p> <p>7.1</p> <p>35.5</p> <p>24.9</p>
<p>Total liabilities increased marginally by \$0.8 million, or 0.4%, during the financial year. This was mainly attributable to a \$3.3 million increase in deferred tax liabilities, primarily arising from deferred tax recognised on the revaluation surplus of the Group's properties in Malaysia. In addition, trade and other payables increased by \$1.2 million, largely due to higher accruals recorded for operating expenses incurred at the Singapore properties and timing differences in payments during the year. The increase was partially offset by a \$3.4 million reduction in bank loans, following the net repayment of borrowings during the financial year.</p>	<p>Total Liabilities</p> <ul style="list-style-type: none"> - Trade and other payables - Tax liabilities - Bank borrowings 	<p>193,904</p> <p>11,605</p> <p>22,573</p> <p>159,250</p>	<p>193,060</p> <p>10,374</p> <p>19,593</p> <p>162,695</p>	<p>0.4</p> <p>11.9</p> <p>19.7</p> <p>(2.1)</p>
<p>Capital and reserves rose by \$36.6 million or 5.2% during the year. This was largely attributable to \$21.1 million increase in the assets revaluation reserve, arising mainly from increase in land and/or hotel building valuation from 2 hotels in Singapore and a property in Malaysia. The increase was further supported by a \$6.9 million reduction in translation reserve losses, following the strengthening of the Malaysia Ringgit (MYR) against Singapore Dollars (SGD). Profits generated during the year also contributed to the overall growth in capital and reserves.</p>	<p>Capital and reserves</p> <ul style="list-style-type: none"> - Share capital - Asset revaluation reserve - Fair value reserve - Translation reserve - Retained earnings 	<p>741,867</p> <p>190,836</p> <p>433,563</p> <p>19,762</p> <p>(11,865)</p> <p>109,520</p>	<p>705,265</p> <p>190,836</p> <p>412,464</p> <p>18,120</p> <p>(18,793)</p> <p>102,581</p>	<p>5.2</p> <p>-</p> <p>5.1</p> <p>9.1</p> <p>(36.9)</p> <p>6.8</p>

SHAREHOLDER RETURNS

The Group is focused on achieving long-term capital growth for its shareholders and follows a policy of retaining accumulated earnings for future expansion. At the same time, the Group is committed to rewarding its shareholders and intends to distribute appropriate annual dividends, provided the cash flow allows.

For FY2025, the Directors have proposed a one-tier, tax-exempt first and final dividend of 3.0 cents per ordinary share. Amounting to approximately \$3.63 million, this proposed dividend, subject to approval by shareholders at the upcoming Annual General Meeting, will be paid on a date to be announced.







Culture of Care, Spirit of Sustainability

At Hotel Royal, caring for people extends beyond our walls. By infusing enthusiasm into our sustainability initiatives, our staff actively conserve resources and protect the environment with dedication and purpose. Empowered employees become advocates for responsible practices — encouraging guests to join in our journey toward a greener future. This collective effort not only reduces our environmental footprint but also enriches the guest experience, strengthens community bonds, and contributes to a healthier planet for generations to come.

SUSTAINABILITY REPORT

FOREWORD BY THE CHAIRMAN

Hotel Royal Limited (the “**Company**”, and together with its subsidiaries, the “**Group**” or “**We**”) delivered a resilient performance in FY2025, anchored by sustainable hotel management practices and the stabilisation of our Malaysia operations. As the tourism landscape across Singapore, Malaysia and Thailand continues to evolve, the Group remains focused on pursuing growth while reducing our environmental footprint. Guided by our commitment to responsible hospitality, we continue to integrate resource efficiency, waste reduction, and eco-conscious service offerings into our operations that strengthen our brand reputation as a responsible regional hospitality operator.

Aligned with our annual report theme, “**Empowering People, Inspiring Progress**”, we recognise that meaningful sustainability progress begins with our people. The Group remains committed to fostering a positive workplace culture that prioritises safety, inclusivity, accountability, and continuous development. By empowering our employees and cultivating a culture of responsibility from leadership through our frontline teams, we strengthen our ability to deliver responsible hospitality and sustainable long-term value for all stakeholders.

The Board of Directors (“**Board**”) continues to play an integral role in steering the Group’s sustainability efforts. Through our management committee, we provide strategic direction and oversight on the implementation of sustainability initiatives across the Group. These efforts include, but are not limited to, transparent reporting, robust risk governance, fostering a strong workplace safety culture in daily operations, and promoting diversity and inclusion. We believe that addressing sustainability issues is essential not only for profitability and shareholder value, but also for ensuring the long-term resilience and viability of our business.

Our stakeholders are increasingly looking for proactive leadership on environmental, social and governance (“**ESG**”) matters. In response, we remain dedicated to improving the quality and transparency of our sustainability reporting. I am pleased to present the Group’s Sustainability Report (“**Report**”) for the financial year (“**FY**”) 2025.

Yang Wen-Wei

Chairman

18 March 2026

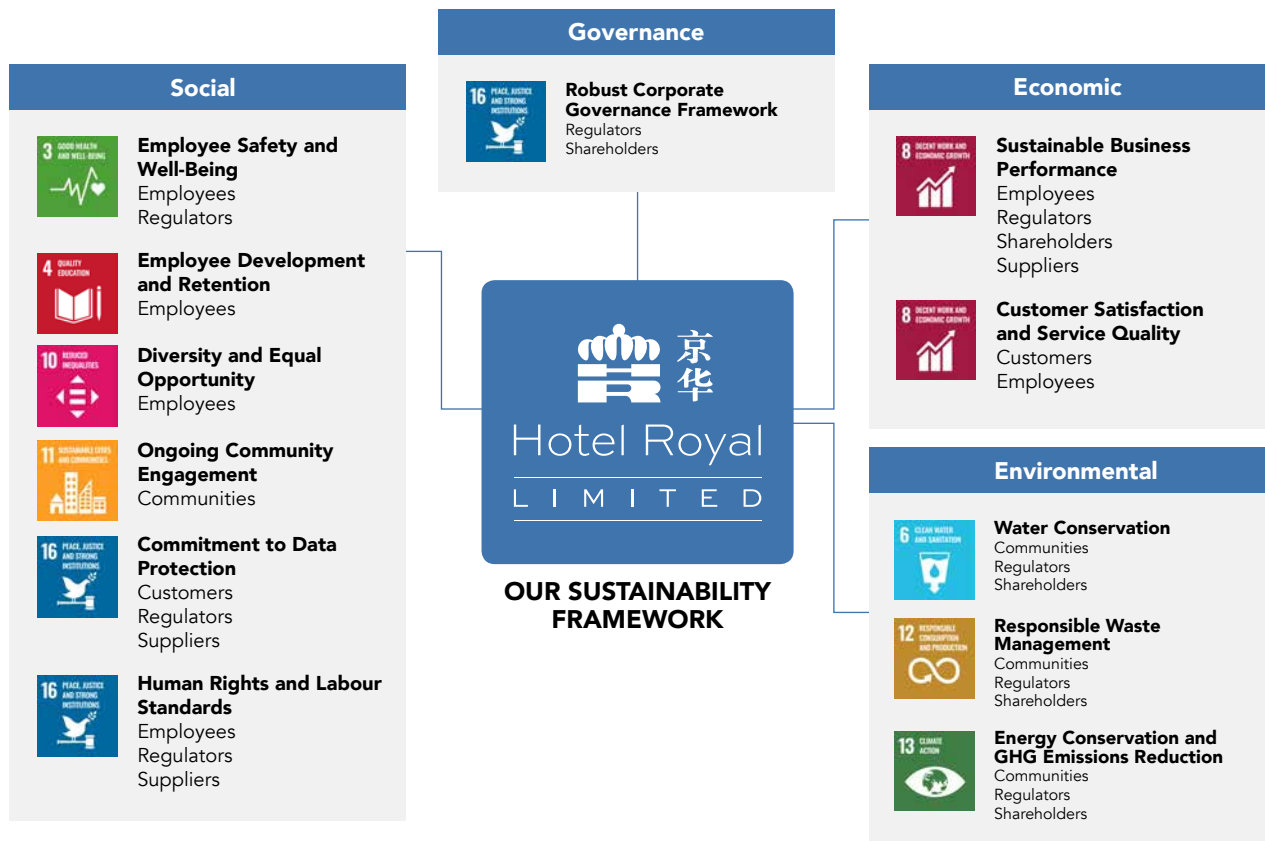
ABOUT THIS REPORT

BOARD STATEMENT

We reaffirm our commitment to sustainability with the publication of this Report. In this Report, we offer insights into the way we do business, while considering our material sustainability factors under the pillars of economic, environmental, social and governance (collectively as “**Sustainability Factors**”). Our goal is to provide readers with an accurate and meaningful overview of how we manage these sustainability issues.

The Board considered the Group’s sustainability issues as part of its strategic formulation and business strategies, determined the material Sustainability Factors, and oversaw the management and monitoring. In today’s rapidly changing business environment, the Board remains dedicated to supporting management in upholding strong governance and sustainability practices, ensuring long-term success and value for our stakeholders.

This Report communicates our commitment towards supporting the United Nations’ Sustainable Development Goals (“**SDGs**”). As we collaborate closely with our stakeholders throughout the value chain, their inputs serve as the compass directing our sustainability initiatives towards prioritising our material Sustainability Factors. Below shows the interaction between our sustainability framework, material Sustainability Factors, stakeholders, and the SDGs:



SUSTAINABILITY REPORT

SUSTAINABILITY PERFORMANCE HIGHLIGHTS

A summary of our material sustainability performance is as follows:

Sustainability Metric	Unit of Measurement	Sustainability Performance	
		FY2025	FY2024
Economic			
Value-added ¹	\$'million	36.5	33.8
Value retained for re-investment and future growth ²	\$'million	9.0	7.7
Customer satisfaction score	%	88	88
Employee satisfaction score	%	82	81
Environmental			
Water consumption intensity	Cu M/ number of guest nights	0.360	0.489 ³
Waste generated intensity	tonnes/ number of guest nights	<0.001	0.001
Aggregated absolute Scope 1 and 2 greenhouse gas ("GHG") emissions	tCO ₂ e	14,248	19,378
GHG emissions intensity	tCO ₂ e/ number of guest nights	0.016	0.022
Social			
Workplace fatalities	Number	–	–
High consequence work-related injuries ⁴	Number	–	–
Recordable work-related injuries	Number	5	10
Work-related ill health cases ⁵	Number	–	–
Employee turnover rate	%	35	19
Reported incidents of unlawful discrimination ⁶ against employees	Number	–	–
Substantiated complaints concerning breaches of customer privacy and loss of customer data ⁷	Number	–	–
Reported incidents of labour or human rights violations	Number	–	–
Governance			
Reported incidents of serious offence ⁸	Number	–	–
Incidents of non-compliance with any applicable laws and regulations ⁹ that resulted in significant fines or non-monetary sanctions	Number	–	–
Fines or penalties arising from non-compliance with environmental laws and regulations	Number	–	–

1 Value-added includes revenue earned net of cost of sales, net foreign exchange adjustment, other income and expenses.

2 Value retained for re-investment and future growth includes accumulated loss, depreciation and amortisation.

3 Figure is restated due to correction on the number of guest nights.

4 A high consequence work-related injury refers to an injury from which the worker cannot recover or cannot recover fully to pre-injury health status within six (6) months.

5 A work-related ill health case refers to a case with negative impacts on health arising from exposure to hazards at work.

6 An incident of unlawful discrimination refers to an incident whereby the relevant authority has commenced investigation against a company which resulted in a penalty to a company.

7 A substantiated complaint refers to a complaint that has been investigated by the Personal Data Protection Commission, and a violation of regulations has been established.

8 A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than SGD 100,000 and is punishable by imprisonment for a term of not less than two (2) years, which is being or has been committed against a company by officers or employees of the company.

9 An incident of non-compliance excludes incidents involving fraud or dishonesty.

OUR BUSINESS

The key revenue streams are mainly derived from our hotel operations and property investment segments. An overview of our business segments is as follows:

Hotel Operations Segment



SUPPLIERS AND SERVICE PROVIDERS

We procure goods and services from:

- Suppliers for housekeeping and cleaning supplies, operating equipment and food and beverages (“F&B”);
- Contractors; and
- Service providers for maintenance works.



OPERATIONS

We own and operate a chain of hotels, including the provision of ancillary services.



CUSTOMERS

We serve hotel guests from various channels, including our website, online platforms, and walk-ins at our operating premises.

Investment Property Segment



SUPPLIERS

We requisite goods and services from:

- Property managers; and
- Service providers for maintenance and subcontractors.



OPERATIONS

We own and lease out investment properties in Singapore, Malaysia and New Zealand for residential and commercial uses.



CUSTOMERS

Our customers are lessees of our investment properties.



SUSTAINABILITY REPORT



REPORTING PERIOD AND SCOPE

This Report covers the consolidated entities, as disclosed in our audited financial statements, for the FY from 1 January 2025 to 31 December 2025 (“**FY2025**” or “**Reporting Period**”).

REPORTING FRAMEWORK

This Report is prepared in accordance with Mainboard Listing Rules 711A and 711B (“**Mainboard Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the guidance set out in SGX-ST’s sustainability reporting guide under Practice Note 7.6 of the Mainboard Rules. This Report is also prepared in accordance with the Global Reporting Initiative (“**GRI**”) standards for the Reporting Period. We chose to report using the GRI Standards as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability metrics.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped out our sustainability efforts in accordance with the 2030 Agenda for Sustainable Development, which is adopted by all United Nations Member States in 2015 (“**UN Sustainability Agenda**”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its core are the 17 SDGs, which form an urgent call for action by all countries.

Our climate-related disclosures are prepared based on the 11 recommendations of Task Force on Climate-related Financial Disclosures (“**TCFD**”). Following the publication of the International Sustainability Standards Board (“**ISSB**”) Standards – International Financial Reporting Standards (“**IFRS**”) S1 and IFRS S2, we conducted a gap analysis against our existing TCFD reporting and are in the process of aligning our climate-related disclosures to the ISSB Standards. We are guided by the phased approach recommended by the Singapore Exchange Regulation in aligning our reporting of climate-related disclosures in accordance with ISSB Standards.

Internal reviews on the sustainability reporting process are incorporated as part of our internal audit review cycle. We will also work towards obtaining external assurance for our future sustainability reports subject to market trends and regulatory requirements.

AVAILABILITY

A PDF version of the Annual Report, which encloses the full Report, is available for download at our investor relations website – <https://hotelroyal.listedcompany.com/reports.html>, or at the SGX website.

FEEDBACK

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account at IR@hotelroyal.com.sg.

STAKEHOLDER ENGAGEMENT

A key starting point in our sustainability journey is identifying our stakeholders and the material Sustainability Factors relevant to our business. These stakeholders include entities or individuals whose interests are affected or could be affected by our activities.

We performed a stakeholder mapping exercise and identified the key stakeholder groups with whom we prioritise our engagement. These include communities, customers, employees, national agencies and government bodies (“**Regulators**”), investors and shareholders (“**Shareholders**”) and suppliers and service providers (“**Suppliers**”).

We considered the concerns of key stakeholders when formulating our corporate strategies. We adopt both formal and informal channels of communication to understand their needs to achieve mutually beneficial outcomes.

The table below sets out how we engage our key stakeholders:

Stakeholder	Our Commitment	Engagement Method	Frequency	Key Feedback/Concern
Communities	Minimise business impact and contribute to the communities where we operate in	<ul style="list-style-type: none"> • Outreach programmes • Sponsorship of events 	Ongoing	<ul style="list-style-type: none"> • Responsible and ethical business practices • Support from businesses in the area
Customers	Maximise customer satisfaction through delivering quality service and products	<ul style="list-style-type: none"> • Customer satisfaction surveys • Guest feedback channels • Marketing collaterals • Website 	Ongoing	<ul style="list-style-type: none"> • Comfort of environment • Data privacy • Quality service • Timely response to feedback and complaints
Employees	Maximise the full potential of our people resources through continual development and training	<ul style="list-style-type: none"> • Appraisals • Feedback channels • Induction programmes • Recreational and wellness activities • Regular emails and meetings • Training and development 	Ongoing	<ul style="list-style-type: none"> • Competitive pay and benefits • Equal employment opportunities • Job security • Safe working environment • Training and development opportunities
Regulators	Adopt high standards of corporate governance practices in our operations	Consultations and briefings organised by key regulatory bodies	As and when required	Compliance with laws and regulations
Shareholders	Maximise shareholder value through our corporate strategies and business fundamentals	<ul style="list-style-type: none"> • Annual general meetings • Annual reports 	Annually	<ul style="list-style-type: none"> • Compliance with laws and regulations • Long-term growth • Sustainable profits and shareholder value
		Result announcements	Half-yearly	
		<ul style="list-style-type: none"> • Emails • Investor relations website 	Ongoing	
Suppliers	Build strong partnerships with suppliers in the pursuit of the best in environmental, health and safety standards in our operations	<ul style="list-style-type: none"> • Conferences and forums • Emails • Phone calls • Regular meetings 	Ongoing	<ul style="list-style-type: none"> • Fair procurement practices • Order volatility • Timely payment to Suppliers

SUSTAINABILITY REPORT

POLICY, PRACTICE AND PERFORMANCE REPORTING

In line with our commitment to sustainability, a sustainability reporting policy (“**SR Policy**”) covering our sustainability strategies, sustainability governance structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors is put in place and serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review, and update our material Sustainability Factors from time to time, considering the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

SUSTAINABILITY GOVERNANCE STRUCTURE

The Board is ultimately responsible for overseeing the Group’s sustainability matters and is primarily supported by a Sustainability Steering Committee (“**SSC**”) by virtue of delegation. As part of our continual efforts to upgrade the knowledge of our directors on sustainability reporting and to meet the requirement of listing rule 720 (7) of SGX-ST, we confirm that all our directors have attended one (1) of the approved sustainability training courses.

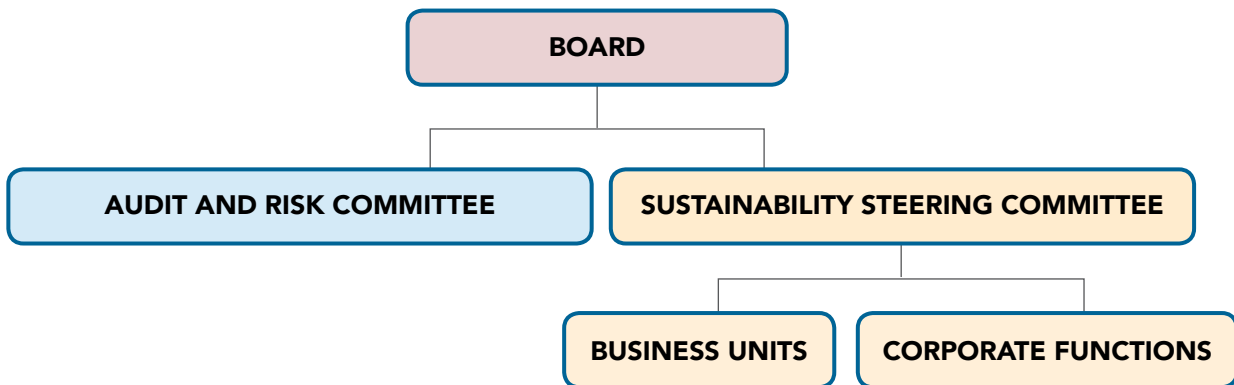
The SSC is led by the Chief Executive Officer (“**CEO**”), and its members comprise C-suite executives, General Managers, Hotel Managers and Heads of Departments. The SSC is further supported by selected representatives from key business units and corporate functions.

Besides the SSC, the Board is supported by the Audit and Risk Committee (“**ARC**”) on specific sustainability matters within their respective terms of reference.

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:

Sustainability Governance Structure

Our sustainability governance structure and the responsibilities of component parties are detailed as follows:



Terms of Reference of Component Parties

Component Party	Member	Terms of Reference
Board	Board members	<ul style="list-style-type: none"> • Determine material Sustainability Factors of the Group • Review and approve sustainability strategy, policies, and targets • Review and approve sustainability reports (including materiality assessment process and outcome) • Monitor implementation of sustainability strategy, policies, and performance against targets • Oversee the identification and evaluation of sustainability and climate-related risks and opportunities • Ensure the integration of sustainability and climate-related risks and opportunities within the Group's enterprise risk management ("ERM") framework • Evaluate the composition and competencies of the SSC to support effective oversight of sustainability strategy, with consideration of climate-related risks and opportunities
ARC	ARC members	<ul style="list-style-type: none"> • Review the adequacy and effectiveness of the Group's internal controls and risk management systems • Oversee the conduct of assurance activities pertaining to the Group's sustainability reporting processes
SSC	<ul style="list-style-type: none"> • CEO • Deputy CEO • COO • CFO • Country General Manager • General Managers • Hotel Managers • Head of Departments 	<ul style="list-style-type: none"> • Develop sustainability strategy, policies, and management plans, as well as recommend revisions to the Board • Ensure that the implementation of sustainability strategy is aligned across business segments • Evaluate overall sustainability risks and opportunities, with a focus on climate-related issues • Track and monitor sustainability related regulatory requirements • Perform materiality assessment to identify and prioritise material Sustainability Factors • Align the Group's practices at the operational level with the organisation-wide sustainability agenda and strategy • Monitor sustainability activities and performance against targets • Consolidate sustainability metrics to track sustainability impact on a Group basis and for reporting purposes • Prepare and review sustainability reports prior to its approval by the Board
Working Committee	<p>The committee comprise representatives from the following business units and functions from Singapore, Malaysia, Thailand and New Zealand.</p> <ul style="list-style-type: none"> • Finance; • Human Resource ("HR"); • Digitalisation; and • Operations 	<ul style="list-style-type: none"> • Align practices at the operational level with the Group's agenda and sustainability strategy • Collect and compile sustainability data to track sustainability impact

As we continue to refine our sustainability metric measuring and tracking mechanisms, we plan to link key executives' remuneration to sustainability performance once the mechanisms are more mature and stable.

SUSTAINABILITY REPORT

MATERIALITY ASSESSMENT

We continuously enhance our management approach to adapt to the changing business landscape. The Group's SSC performs an annual materiality assessment to ensure that the material Sustainability Factors disclosed in our sustainability reports remain current, material, and relevant. From the assessment, we identify key areas that impact our ability to create value for our stakeholders.

Both positive and negative impacts, whether actual and potential, are assessed based on: (i) the likelihood of the occurrence of actual and potential negative and positive impacts; and (ii) their significance on the economy, environment, people and human rights, as well as their contribution to sustainable development.

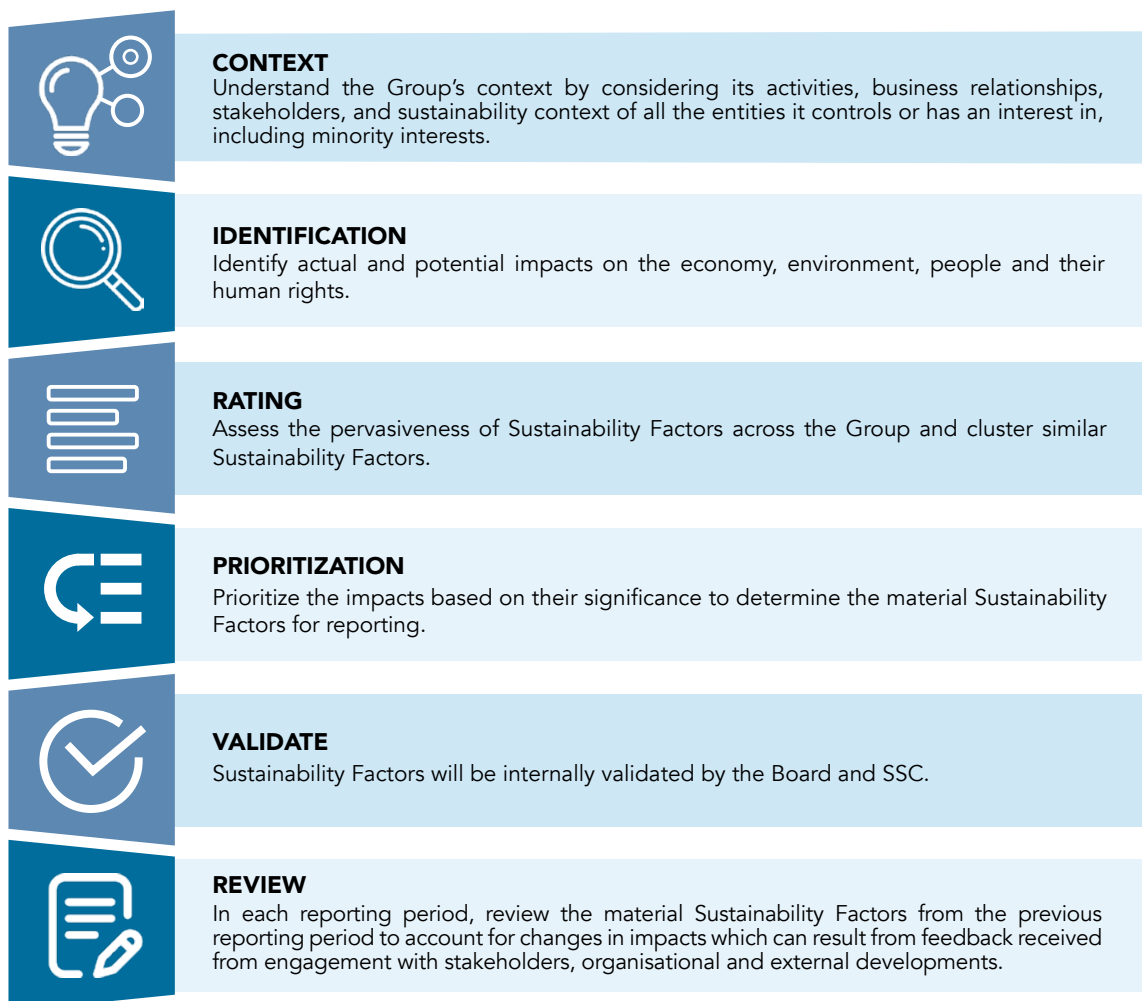
PERFORMANCE TRACKING AND REPORTING

We track the progress of our material Sustainability Factors by identifying relevant sustainability metrics, measuring and monitoring them. Additionally, we set performance targets aligned with our strategy to ensure we are focused on our sustainability goals. We consistently enhance our performance-monitoring processes and improve our data capturing systems. A sustainability report is published annually in accordance with our SR policy.

SUSTAINABILITY REPORTING PROCESSES

Under our SR Policy, our sustainability processes begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

Processes involved are shown in the chart below:



MATERIAL SUSTAINABILITY FACTOR

In FY2025, a materiality assessment was performed by the SSC to update the material Sustainability Factors, and this was followed by a stakeholder engagement session¹⁰ to understand the concerns and expectations of our key stakeholders. In this Report, we also reported our progress in managing these factors and set related targets to improve our sustainability performance.

We incorporated the SDGs from the UN Sustainability Agenda, as a supporting framework to shape and guide our sustainability strategy where appropriate. Below is the list of material Sustainability Factors applicable to the Group and how they relate to these SDGs:

S/N	Material Sustainability Factor	SDG	Key Stakeholder	Our Effort
Economic				
1	Sustainable Business Performance		<ul style="list-style-type: none"> • Employees • Regulators • Shareholders • Suppliers 	We contribute to economic growth by delivering long-term and sustainable value for our stakeholders.
2	Customer Satisfaction and Service Quality		<ul style="list-style-type: none"> • Customers • Employees 	We deliver exceptional customer service, listen to customer feedback and continuously improve our services based on their needs and expectations.
Environmental				
3	Water Conservation		<ul style="list-style-type: none"> • Communities • Regulators • Shareholders 	We implement water-monitoring systems and water-saving initiatives to ensure proper usage of water resources.
4	Responsible Waste Management		<ul style="list-style-type: none"> • Communities • Regulators • Shareholders 	We adopt responsible waste management to improve the management of waste, utilise resources to the fullest, reduce the usage of resources and build a circular economy.
5	Energy Conservation and GHG Emissions Reduction		<ul style="list-style-type: none"> • Communities • Regulators • Shareholders 	We develop a Climate Change Transition Plan to improve energy conservation and reduce GHG emissions.
Social				
6	Employee Safety and Well-Being		<ul style="list-style-type: none"> • Employees • Regulators 	We implement measures to ensure a safe and secure working environment for our employees.
7	Employee Development and Retention		<ul style="list-style-type: none"> • Employees 	We invest in training, education and development of our people to upskill our people and enhance our business competitiveness.
8	Diversity and Equal Opportunity		<ul style="list-style-type: none"> • Employees 	We foster a diverse and inclusive workplace to introduce new perspectives to our business, thereby strengthening our capacity to overcome emerging challenges.
9	Ongoing Community Engagement		<ul style="list-style-type: none"> • Communities 	We initiate various campaigns to promote social inclusion and sustainable communities.

¹⁰ The Company distributed an online survey to both its internal and external stakeholders of customers, employees and suppliers to gather perspectives on the most important Sustainability Factors for the business to prioritise.

SUSTAINABILITY REPORT

S/N	Material Sustainability Factor	SDG	Key Stakeholder	Our Effort
10	Commitment to Data Protection		<ul style="list-style-type: none"> Customers Regulators Suppliers 	We implement reasonable physical, electronic and procedural safeguards to ensure the protection of personal data in compliance with data protection legislation.
11	Human Rights and Labour Standards		<ul style="list-style-type: none"> Employees Regulators Suppliers 	We uphold internationally recognised human rights principles, including those pertaining to child labour, forced labour and human trafficking.
Governance				
12	Robust Corporate Governance Framework		<ul style="list-style-type: none"> Regulators Shareholders 	We maintain a high standard of corporate governance to safeguard our Shareholders' interest and maximise long-term shareholder value.

ECONOMIC

SUSTAINABLE BUSINESS PERFORMANCE

Commitment

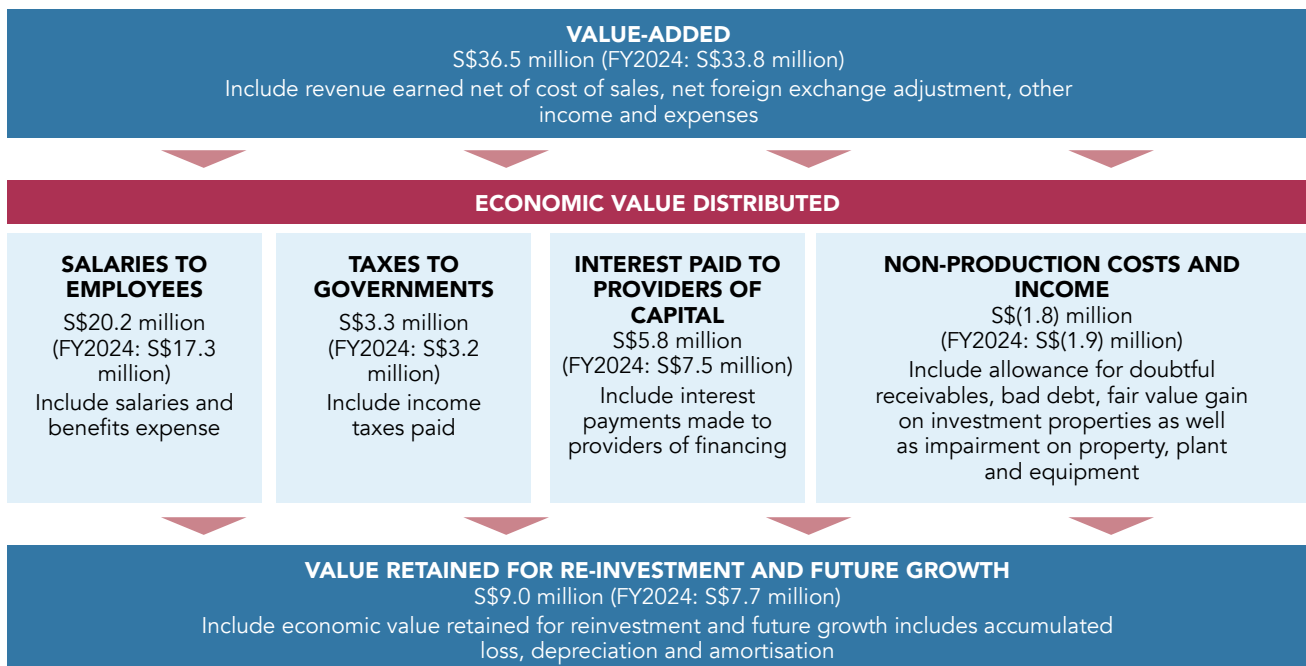
We are committed to create long-term economic value for stakeholders by adopting responsible business practices and growing our business in a sustainable manner.

Approach

We generate and distribute economic value by executing the Group's strategy.

Performance

In line with this commitment, we present the distribution of our values created in FY2025 as follows:



Refer to the financial statements and value-added statement in our FY2025 annual report for the Group's financial performance and financial risk management disclosure on our efforts and progress in maintaining financial sustainability.

CUSTOMER SATISFACTION AND SERVICE QUALITY

Commitment

We are committed to delivering exceptional customer service and building a loyal customer base to establish sustainable and lasting relationships with our customers.

Approach

As a leading hospitality service provider, we prioritise customer experience and satisfaction. Our brand promise 'Every Room A Home' serves as a guiding principle and we continually strive to enhance customer satisfaction in the following ways:

Rendering Good Customer Service

We strive to meet and exceed our customer's expectations by providing a warm and welcoming stay at our hotels and offering exceptional customer service at our restaurant outlets.

The efforts of our employees are recognised through industry-standard awards, including the Singapore Hotel Association's Excellence Service Award, Hotel Security Awards (jointly organised by Singapore Hotel Association, Singapore Police Force and the National Crime Prevention Council), Bravery Award and the National Kindness Award in Singapore.

In addition to these national awards, we also recognise our best-performing employees in Singapore, Malaysia and Thailand with internal accolades such as 'Employee of the Month', 'Employee of the Quarter' and 'Employee of the Year'.

Proactively Gathering Feedback for Improvements and Developing Strategies

Customer satisfaction is our utmost priority. In line with our service credo, we make it a point to understand our customers better through reviews and feedback, aiming to attract and retain customers. Through our customer relationship management platform 'TrustYou Digital Platform' ("**TrustYou Platform**"), we collect, analyse and monitor guest feedback efficiently. These insights gathered are discussed during management meetings to drive service improvements, enhance operational efficiency and provide inputs for new strategies.

Maintaining a Team of Proficient and Experienced Employees

We believe that our employees are key to delivering quality service. We encourage and train our employees to engage more with our guests and foster stronger connections. We aim to expand on the scope of our on-the-job training and development to further equip our employees with the necessary customer service skills as well as to boost their morale and confidence. For further details on how we motivate, train and retain our employees, please refer to the section 'Employee Development and Retention'.



SUSTAINABILITY REPORT

Adherence to Market Standards

We adhere to market standards and best practices in our hotel operations. Compliance with standards, along with continual certifications are subjected to audits or review by the relevant agencies and bodies.

In December 2025, Hotel Royal Queens is certified by Global Sustainable Tourism Council (“**GSTC**”) in meeting the standards of the GSTC Industry Standards. This certification demonstrates our adherence to a comprehensive set of standards for economic and ESG practices focusing on the following areas:

- Demonstrate effective sustainable management;
- Maximise social and economic benefits to the local community and minimise negative impacts;
- Maximise benefits to cultural heritage and minimise negative impacts; and
- Maximise environmental benefits and minimise negative impacts.

Aside from aligning with the government objectives, attaining the GSTC certification reflects our dedication to continuous improvement in sustainable hospitality, delivering meaningful value for our stakeholders, and enhancing our competitiveness on the global stage.



Adoption of Strategic Solutions

We are constantly exploring innovative methods to elevate our service quality and introduced a range of strategic solutions designed to enhance overall productivity and serve more customers. These initiatives aim to enrich the guest experience and ensure their satisfaction at each touchpoint. The following initiatives showcase how we are actively transforming our approach to hospitality:

Hotel	Strategic Solution
Hotel Royal Singapore, Hotel Royal Queens, Hotel Royal Kuala Lumpur, Hotel Royal Signature, Baba House and Hotel Royal Bangkok	<p>We implemented the TrustYou Platform, an integrated omni-channel customer relationship management system across our hotels to enhance customer engagement and feedback management. Key features of the TrustYou Platform as follows:</p> <ul style="list-style-type: none"> • Guest Feedback Management: Centralise, consolidate, and manage reviews and response from major online travel agencies and Google Reviews; • Sentiment and Service Analysis: Categorise feedback automatically from key service areas such as service quality, cleanliness of room, and Wi-Fi connectivity; • Performance Monitoring: Track the performance of properties and generate departmental-level insights to support operational reviews and monitoring of key performance indicator; and • Market Benchmarking: Provide industry data for performing market benchmarking.
Hotel Royal Queens and Burasari Resort	<p>We implemented digital check-in/out systems such as guest service kiosks and quick response code at strategic locations around our hotels, to minimise manual processing, reduce the rate of error, and shorten waiting time, delivering a seamless technology-driven experience for guests from arrival to departure.</p>
Hotel Royal Singapore, Hotel Royal Queens, Hotel Royal Kuala Lumpur, Hotel Royal Signature and Baba House	<p>We implemented the Oracle NetSuite Enterprise Resource Planning solutions to streamline and automate our core business processes. This transition enhances real-time visibility into our financial performance, allowing for tighter operational control and more effective strategic planning.</p>
Hotel Royal Kuala Lumpur, Hotel Royal Signature and Baba House	<p>We implemented the Opera Cloud, a property management system (“PMS”) to centralise hotel operations, room inventory, and guest profiles. With historical stay data and detailed profile analysis, we can identify guest behaviour and preferences. These insights empower our team to anticipate needs and deliver highly personalised services, elevating the overall guest experience.</p>

Performance

Rendering Good Customer Service

During the Reporting Period FY2025, 105 (FY2024: 97) of our employees in Singapore received recognition from awards.

Please refer to the 'People Report' on pages 87 to 91 for their stories and achievements.

During the Reporting Period, we achieved a customer satisfaction score of 88% (FY2024: 88%).

Maintain a Team of Proficient and Experienced Employees

During the Reporting Period, we achieved an employee satisfaction score of 82% (FY2024: 81%). This metric, derived from our annual employee satisfaction survey, evaluates key areas including training needs, quality of work environment, and overall employee welfare.

Adherence to Market Standards

Our services are certified under various recognised quality standards:

Standard/ Certification	Certification Attained By	Nature of Certification
ISO 9001:2015	<ul style="list-style-type: none"> • Hotel Royal Singapore • Hotel Royal Queens 	A certification for quality management system ensuring that our products and services consistently meet customer and applicable regulatory requirements and aims to enhance customer satisfaction.
Building Construction Authority Green Mark Award (Gold) (" BCA Gold Award ")	<ul style="list-style-type: none"> • Hotel Royal Queens 	A voluntary scheme that assesses a building's environmental impact and performance, promoting sustainable design and best practices in construction and building operations.
GSTC	<ul style="list-style-type: none"> • Hotel Royal Queens 	A certification that recognises tourism industry businesses and destinations as having sustainable policies and practices in place.



SUSTAINABILITY REPORT

ENVIRONMENTAL

We aspire to efficiently manage the environmental impact of our hotel operations. Our environmental impact arises mainly from the consumption of energy and water in running our operations.

Our material Sustainability Factors on environment are presented as follows:

WATER CONSERVATION

Commitment

We are committed to responsible usage of water resources through enhancing our water consumption efficiency.

Approach

Our water sources¹¹ are primarily derived from: (i) Public Utilities Board (“**PUB**”), Singapore’s National Water Agency (ii) Syarikat Air Malaka Berhad, Malacca’s state water company (iii) Air Selangor, Kuala Lumpur’s water services provider; and (iv) Thailand water company - Metropolitan Waterworks Authority and Provincial Waterworks Authority, Thailand’s state enterprises for municipal and provincial water suppliers respectively.

Water is an essential resource used in all aspects of our hotel operations, including guest rooms, hot water supply, cooling towers, F&B, housekeeping, laundry¹², recreational facilities and public amenities.

We implemented water-monitoring systems and water-saving initiatives to ensure proper usage of water, and they include:

- Install a Building Management System (“**BMS**”) system at Hotel Royal Singapore and Hotel Royal Queens to enable prompt action in the event of a water leakage;
- Appoint Facility Management Teams to manage our water conservation efforts;
- Display water conservation posters, establish policies, and implement procedures to govern water usage and remind employees of its importance;
- Install motion sensor taps in public washrooms and water meters within the hotels for close monitoring of water flow;
- Moderate water pressure at water valves to reduce water flow in guest rooms and public toilets; and
- Ensure that all operating equipment such as plumbing systems, pipe tanks, and faucets undergo a systematic preventive maintenance programme to ensure proper operation and prevent water leakages.

Performance

For the Reporting Period, key statistics on water consumption are as follows:

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Water consumption	cubic metres	325,481	412,124
Water consumption intensity	cubic metres/number of guest nights	0.36	0.49 ³

During the Reporting Period, we continue to execute our planned water-saving initiatives including closer monitoring of our water consumption and early detection of leakages, leading to a measurable decrease in total water consumption. This decrease resulted in a significant improvement in our water consumption intensity.

¹¹ Based on the World Resources Institute Aqueduct Water Risk Atlas, Hotel Royal Bangkok and Burasari Resort operate in areas with water stress. We are monitoring steps taken at the governmental level to mitigate water stress in Thailand, whilst strengthening our water conservation efforts.

¹² Laundry operations are applicable for Hotel Royal Bangkok only, with the rest of the properties outsourcing this function.

RESPONSIBLE WASTE MANAGEMENT

Commitment

We are committed to environmental preservation by integrating reuse and recycling practices into our operations to promote sustainability.

Approach

To uphold high standards of regulatory compliance, we align our waste management practices with the prevailing regulations in each of the operating jurisdiction we operate in.

Waste generated from our hotel operations¹³ includes:

- General waste produced such as recyclable waste, food waste (including drinks), unsaleable food¹⁴ and laundry waste; and
- Furniture and fixtures.

We aim to preserve the environment we operate in through: (i) improving waste management (ii) maximising resource use; (iii) reducing water wastage; and (iv) building a circular economy.

Management of General Waste and Recyclables

As a Group, we implemented several initiatives to minimise waste materials generated in the course of our operations. We actively promote and practise 'Reduce, Reuse, Recycle' approach across our business operations. Proper recycling processes are in place to collect and recycle non-hazardous recyclables such as cardboards, papers, plastics and glass as well as old furniture including sofa beds and luggage racks.

Reducing Single-Use Plastics Consumption

In line with our goal of reducing waste from our operations, the Group installed water dispensers at Hotel Royal Singapore, Hotel Royal Queens and Baba House while Hotel Royal Signature installed water filters in every room to reduce the use of plastic bottles. Moreover, we procure from eco-friendly suppliers to further minimise the use of single-use plastics packaging materials.

Management of Food Waste

To manage and minimise food wastage, hotel buffets are limited to breakfast hours, which helps better predict demand to reduce overproduction of food. This approach allows us to optimise food preparation, ensuring that the amount of food offered aligns with guest demand and reduces the likelihood of excess food being discarded.

To enhance our efforts in managing food waste, we installed two (2) units of food waste bio-digestors at Hotel Royal Singapore to convert food waste into organic fertiliser. In addition, we implemented food process control procedures to minimise food wastage during the preparation of food, evaluate suppliers based on their level of sustainability practices, and reduce packaging options for our customers.

While we take active measures to divert waste generated from our operations away from disposal, we acknowledge that some residual non-recyclable waste is unavoidable. The residual non-recyclable waste is sent for disposal by third-party licensed waste collectors.



¹³ There is no material hazardous waste generated in our operations.

¹⁴ Unsaleable food is defined as food safe for human consumption but is unavailable for sale due to considerations such as quality.

SUSTAINABILITY REPORT

Performance

Key statistics on waste generated during the Reporting Period are as follows:

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Waste generated	tonnes	669	1,071
Waste generated intensity	tonnes/number of guest nights	<0.001	<0.001

During the Reporting Period, we achieved a significant reduction in total waste generated through enhanced kitchen management techniques and circular food programmes. We trial ran food conservation programmes to divert leftover buffet spreads to our own cafeterias to reduce food waste disposal and successfully diverted significant amount of waste away from disposal. On an intensity basis, the amount of waste generated remains immaterial as compared to the prior Reporting Period.

ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION

Commitment

We are committed to reduce our carbon footprint whilst being open to capitalise on opportunities that may arise as we transition to becoming a low-carbon organisation.

Approach

We aim to reduce our environmental footprint while building operational resilience to deliver long-term and sustainable value to our stakeholders. We adopt a balanced approach in effectively managing and minimising the impacts arising from our business operations.

To uphold high standards of regulatory compliance, we align our energy and emissions management practices with the prevailing regulations in each of the jurisdictions where we operate.

We rely on energy resources to support our operations for the following areas:

- Town gas and liquefied petroleum gas (“LPG”) for cooking purposes;
- Petrol for our company vehicle; and
- Electricity to power equipment for refrigeration, lighting, cooling and ventilation.

To conserve energy and manage our GHG emissions, we set up a seven (7) step continuous circular process as follows:



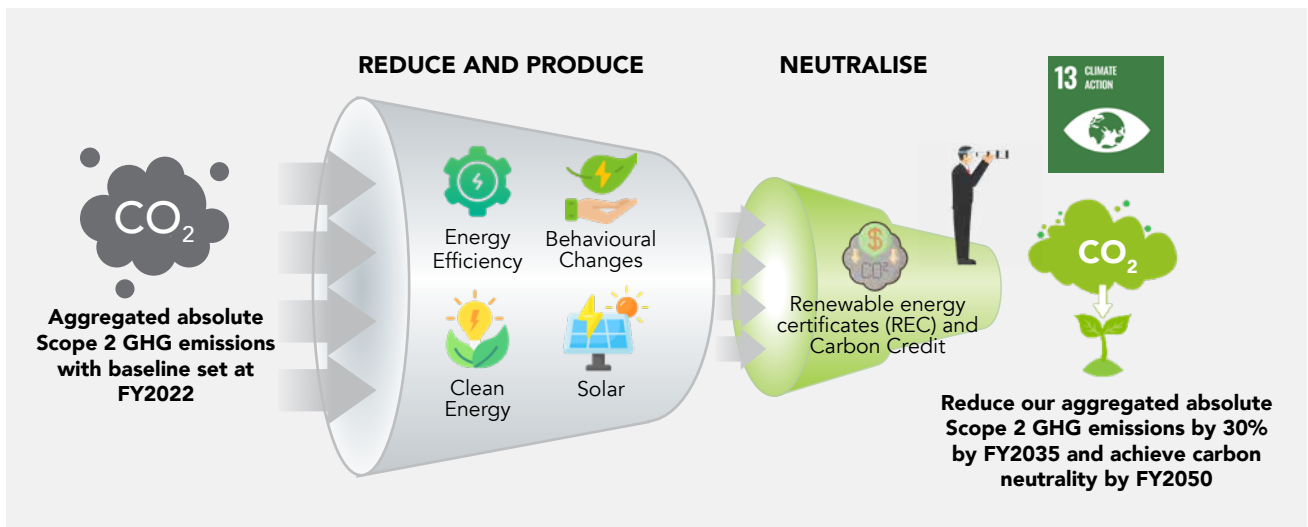
On a yearly basis, we update our GHG emissions profile for our Scope 1, 2 and 3 GHG emissions based on defined organisational boundaries. We will also conduct a GHG emissions profiling exercise whenever there are significant changes in our business models and work processes.

We track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions, and are developing mechanisms to track other categories of our scope 3 GHG emissions, where relevant and practicable. We developed a climate change transition plan and will refine and improve the plan as we progressively implement it, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our future sustainability reports with assurance on the reporting process covered by an internal review.

We measure our GHG emissions in alignment with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). We adopted the operational control approach as a basis to determine GHG emissions data consolidation boundaries across our entities. This approach is selected as it allows us to manage emissions from our operations where we have practical control to introduce relevant measures and implement operating policies. We assessed that we have operational control over all reporting entities covered in this Report.

Climate Change Transition Plan

Our climate change transition plan guides us on our decarbonisation journey. Under this strategy, we commit to reduce our aggregated absolute Scope 2 GHG emissions by 30% by FY2035 and aspire to achieve carbon neutrality by FY2050, with FY2022 as our baseline. Our climate change transition plan is focused on three (3) strategic levers of reduce, produce and neutralise as follows:



SUSTAINABILITY REPORT

Our action plans by lever and focus areas adopted in our climate change transition plan are as follows:

Lever	Focus Area	Action Plan
Reduce	Energy efficiency – Energy efficient building design	Hotel Royal Queens was recognised for its environmental performance in both building design and operations, earning the BCA Gold Award. BMS systems are installed at Hotel Royal Singapore and Hotel Royal Queens, which automatically trigger actions in response to excessive electricity use or abnormal consumption patterns are detected.
	Energy efficiency – Cooling	Our action plans on this front include: <ul style="list-style-type: none"> • Routine maintenance of air-conditioning system to optimise energy efficiency; • Upgrading to automated chillers with enhanced operating system that adjusts the compressor load according to users' consumption; • Upgrading to high energy efficiency air-cooling towers to reduce evaporation and water usage; and • Switching to environmentally friendly variable refrigerant volume air-conditioning systems for Hotel Royal Queens and Hotel Royal Bangkok that enable variable temperature settings within our hotel property and minimise refrigerants required.
	Energy efficiency – Lighting	Our action plans on this front include: <ul style="list-style-type: none"> • Installing timer devices and motion sensors in our lighting systems; and • Switching to energy-efficient light emitting diode ("LED") wherever possible.
	Energy efficiency – Machinery and equipment	We replace older and less energy efficient equipment with more efficient ones when they are due for replacement.
	Behavioural change	We constantly remind our employees on basic and socially responsible habits at their workplaces such as adopting greener work ethics, switching off appliances if not in use and enabling power saving modes.
	Clean energy	We constantly explore opportunities to source for clean and/or renewable energy available in the locations that we operate in.
Produce	Solar energy	Solar panels are installed on the rooftop of Hotel Royal Singapore for water heating purposes while solar cells lights are installed on the rooftop of the public areas at Hotel Royal Bangkok. We will explore installing solar panels on our other hotels to further reduce our GHG emissions when practicable.
Neutralise	<ul style="list-style-type: none"> • Renewable energy certificates ("REC") • Carbon credits 	We plan to explore the use of REC and carbon credits to offset unavoidable residual GHG emissions when the relevant markets mature.

Performance

Key statistics on energy consumption are as follows:

(i) Energy Consumption

Sustainability Metric	FY2025		FY2024	
	GJ	%	GJ	%
Town gas consumption	376	<1	344	<1
LPG consumption	4,046	5	3,833	3
Petrol (fleet ¹⁵)	13	<1	14	<1
Electricity consumption	83,445	95	110,090	96
Total energy consumption	87,880	100	114,281 ¹⁶	100

(ii) Energy Consumption Intensity

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Town gas consumption intensity	GJ / number of guest nights	<0.001	<0.001
LPG consumption intensity	GJ / number of guest nights	0.004	0.005 ³
Petrol (fleet) consumption intensity	GJ / number of guest nights	<0.001	<0.001
Electricity consumption intensity	GJ / number of guest nights	0.092	0.131 ³
Total energy consumption intensity	GJ / number of guest nights	0.097	0.136

(iii) GHG Emissions

Sustainability Metric	Unit of Measurement	FY2025	FY2024
Direct GHG emissions (Scope 1) ¹⁷	tCO ₂ e	273	258 ¹⁶
Indirect GHG emissions (Scope 2) ¹⁸	tCO ₂ e	13,975	19,121
Aggregated absolute GHG emissions (Scope 1 and 2)	tCO ₂ e	14,248	19,379 ¹⁶
GHG emissions intensity	tCO ₂ e/ number of guest nights	0.016	0.023 ¹⁶

During the Reporting Period, the reduction in overall energy consumption and corresponding decrease in GHG emissions were primarily attributable to lower electricity consumption across all properties. We continue to execute our climate change transition plan, which led to a considerable improvement in energy efficiency, and lower associated GHG emissions.

To further improve our energy consumption and efficiency, we started to calculate and monitor the Energy Use Intensity ¹⁹ ("EUI") of our office and hotel premises. During the Reporting Period, we achieved an EUI of 158 kWh/m²/year (FY2024: 208 kWh/m²/year).

¹⁵ Petrol consumption (fleet) includes fuel consumption from all types of light-duty vehicles such as automobiles and light trucks, and heavy-duty vehicles such as tractor trailers and buses, and on-road motorcycles as well as mobile machinery.

¹⁶ Figure is updated to include petrol consumption data.

¹⁷ The direct GHG emissions from consumption of town gas and LPG controlled by a reporting entity (Scope 1) are calculated based on the 2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories.

¹⁸ The indirect GHG emissions from electricity purchased by a reporting entity (Scope 2) are calculated using the location-based methods based on the GHG emissions factors published by the relevant local authorities.

¹⁹ Based on the Building and Construction Authority (Singapore), EUI is calculated based on the electricity consumption per square meter area per year.

SUSTAINABILITY REPORT

During the Reporting Period, details of indirect GHG emissions (Scope 3)²⁰ relating to our operations are as follows:

Category	Coverage	FY2025	FY2024
		tCO ₂ e	
Category 1: Purchased goods and services	Soap bar, linens, slippers, bottled water, sanitary paper and purchased potable water	291	316
Category 5: Waste generated in operations	General waste	427	591
Category 6: Business travel	Air travel	11	19
Category 7: Employee commuting	Transportation of employees between their homes and worksites	626	529

SOCIAL

EMPLOYEE SAFETY AND WELL-BEING

Commitment

We are committed to foster a safe working environment for our workers by continuously identifying and eliminating potential hazardous situations in the workplace.

Approach

To mitigate work-related hazards and create a safe working environment across the Group, our health and safety practices are aligned to the guidance, standards and regulations of: (i) Work Safety Health (“**WSH**”) Council under the Ministry of Manpower, Singapore; (ii) Department of Occupational Safety and Health under Ministry of HR, Malaysia; and (iii) Department of Labor Protection and Welfare, Ministry of Labour, Thailand. We are also in compliance with with the fire safety regulations of the local fire services in the locations where we operate.

We implemented the following WSH initiatives across our operations:

- Comprehensive WSH policies, procedures and guidelines to guide our practices;
- WSH committees comprising representatives from both management and employees, ensuring a collaborative approach to health and safety at the workplace. Key responsibilities of the WSH committees include:
 - (i) Monitoring and reviewing safety policies, procedures and guidelines to identify and resolve potential risk to employees and guests regularly;
 - (ii) Identifying risks and safety hazards at the workplace, and reviewing them to ensure all outstanding issues are addressed and safety standards are complied with; and
 - (iii) Establishing proper reporting channels for WSH accidents and injuries, ensuring the respective HR departments follow-up accordingly;
- Maintaining emergency response plans across all hotels in the event of business disruptions, including periodic simulation exercises such as fire drills;
- To minimise potential fatalities and casualties in the scenario of fire incidents at all our hotels, a company emergency response team (“**CERT**”) is set up and relevant fire safety equipment is put in place. CERT members are required to attend training on incident management, fire emergency response and first-aid to ensure readiness during an emergency evacuation; and
- Conducting WSH training at our hotels and educating our employees to minimise injuries and accidents.

²⁰ The indirect GHG emissions (Scope 3) are calculated using calculation tools comprising International Civil Aviation Organization Carbon Emissions Calculator, GHG Protocol Transport Tool and Carbon Emissions Recording Tool and a mix of GHG emissions factors published by the PUB Singapore, Department for Environment Food and Rural Affairs of the United Kingdom and the US Environmental Protection Agency.

Performance

Key statistics on our work-related injuries and ill health cases are as follows:

Sustainability Metric	FY2025	FY2024
Number of workplace fatalities	-	-
Number of high consequence work-related injuries ⁴	-	-
Number of recordable work-related injuries	5	10
Number of work-related ill health cases ⁵	-	-

During the Reporting Period, there were injuries involving kitchen cuts, which first-aid treatments were administered immediately. Lessons learnt were shared by our WSH Teams to the rest of the employees to prevent recurrence.

EMPLOYEE DEVELOPMENT AND RETENTION

Commitment

We are committed to retain and develop our valuable human resources to improve the efficiency of our business operations.

Approach

Our goal is to consistently maintain a team of highly motivated and well-trained employees who are capable of delivering on our brand promise. To achieve this, our training programme focuses on four (4) key service deliverables: (i) customer service; (ii) attitude; (iii) recognition; and (iv) efficiency, all inspired by our service credo.

Competitive Remuneration

We ensure that our employees are fairly compensated based on established principles and market conditions. Their remuneration is regularly adjusted to remain competitive, after considering market fluctuations. Employee remuneration consists of a fixed component, provident fund contributions, and variable incentives based on performance or market specific factors and is aligned with the requirements of their job responsibilities. We also ensure compliance with the statutory minimum wage regulations in the countries where we operate.

In March 2025, Hotel Royal Queens was accredited with the Progressive Wage Mark ("**PW Mark**")²¹, demonstrating our commitment to diversity and advocating the national efforts to strengthen social compact and uplift the lower-wage worker.

Structured Learning and Development

We offer a diverse range of training programmes designed to upskill and develop our employees, ensuring that our employees are well-equipped to deliver excellent care. During the Reporting Period, our employees attended courses relating to food hygiene, hospitality management, WSH, sustainability leadership in hospitality training, and professional training.

Employee Performance Appraisal and Career Development Review

Regular performance and career development reviews are conducted for all full-time employees, offering valuable feedback and encouraging continuous skill development. Employees who are currently under probation, serving a notice period, or have recently completed a confirmation performance appraisal may be exempted from the standard performance review cycle. Performance appraisals are merit-based.

Comprehensive Employee Benefits

We offer a wide range of employee benefits in a clear and transparent manner, with details outlined in our Employee Handbook. Eligible full-time employees receive various benefits including paid leave, maternity and paternity leave (collectively referred to as "**Parental Leave**"), medical benefits and allowances for meals, books and housing.

²¹ The PW Mark is an accreditation scheme that recognises a company that pays progressive wages to uplift lower-wage workers and is administered by the Singapore Business Federation.

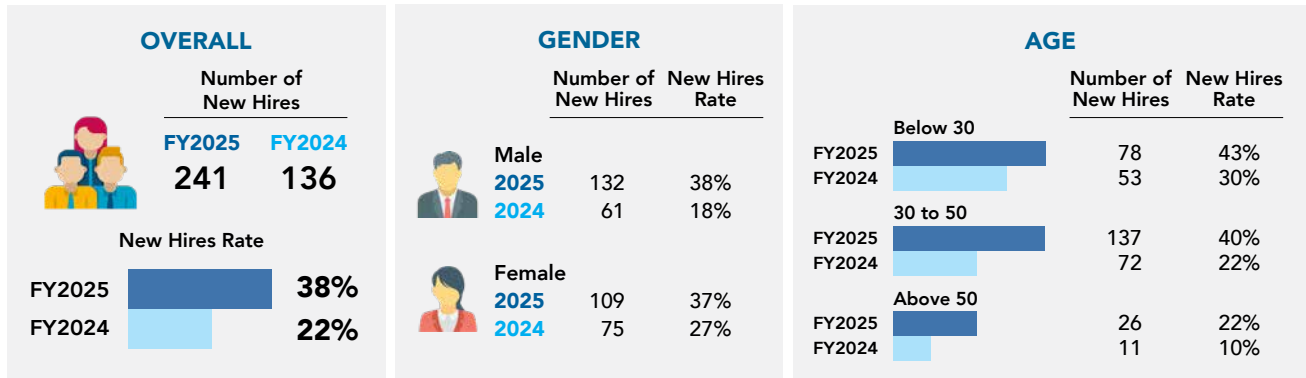
SUSTAINABILITY REPORT

Performance

In line with our commitment to focus on people development, we place a high priority on talent attraction and retention. Key statistics on new employee hires and employee turnover are as follows:

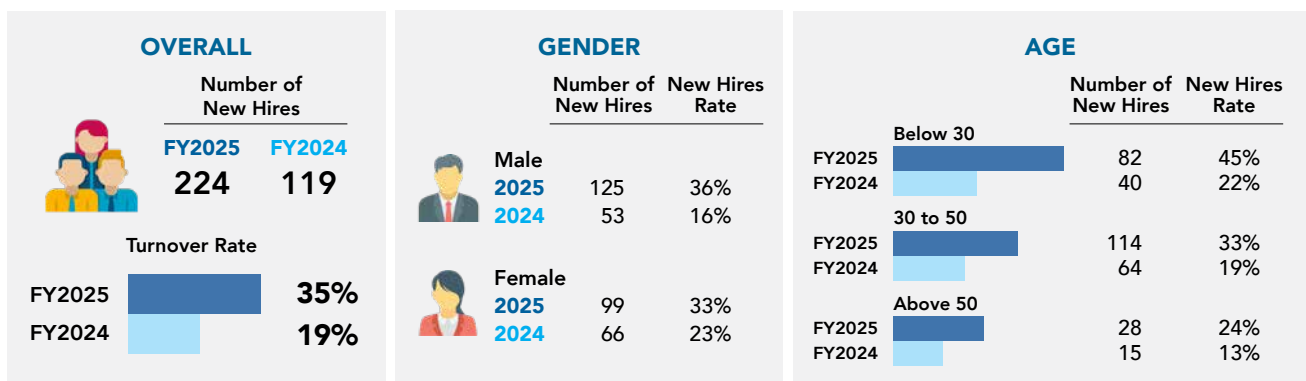
New Hires²²

Key statistics on new hires of our employees are as follows:



Turnover²³

Key statistics on turnover of our employees are as follows:


















During the Reporting Period, the increase in employee new hires and turnover were primarily attributable to Hotel Royal Signature, which is currently undergoing a phase of operational stabilisation. As a relatively young operational property, workforce adjustments were necessary to align operational requirements, staffing structures, and service standards with business needs. Such transitional workforce adjustments are required during the infant stages of hotel operations in order to support long-term operational efficiency and service excellence.

²² New hires related statistics are calculated based on confirmed new hires over total employees by gender and age.

²³ Turnover related statistics are calculated based on turnover of confirmed employees over total employees by gender and age.

Training Hours

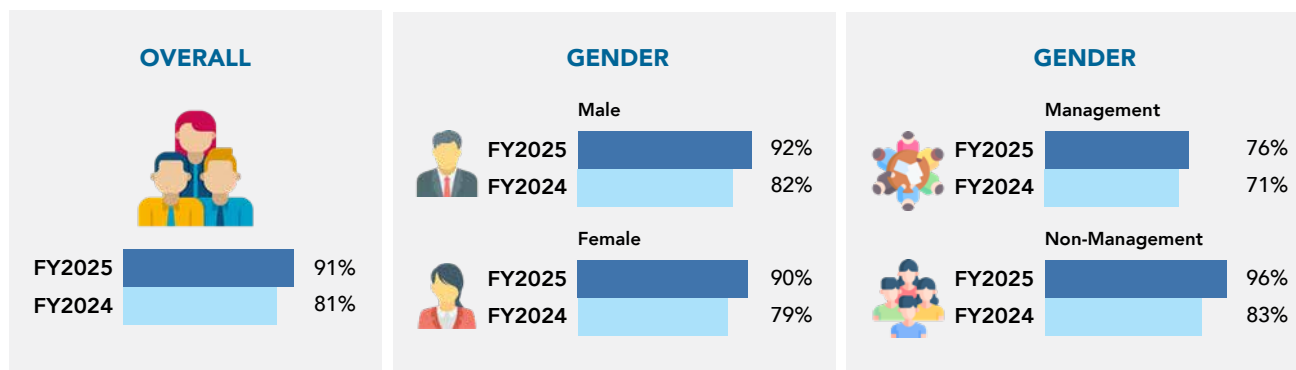
Key statistics on training hours provided for our full-time employees are as follows:

Sustainability Metrics		FY2025	FY2024	
	Overall			
	Total training hours	36,563	16,021	
	Average training hours per employee	59	26	
	Male			
	Total training hours	15,758	6,542	
	Average training hours per employee	48	19	
	Female			
	Total training hours	20,805	9,479	
	Average training hours per employee	71	34	
	Management			
	Total training hours	9,875	5,716	
	Average training hours per employee	64	44	
	Non-management			
	Total training hours	26,688	10,305	
	Average training hours per employee	55	21	

During the Reporting Period, to upskill our employees and align with brand standards, comprehensive training sessions relating to hotel operations were conducted for Hotel Royal Bangkok and Burasari Resort. This resulted in a significant increase in training hours for the Reporting Period as compared to FY2024.

Performance Appraisal

Key statistics on performance appraisal for our full-time employees are as follows:



SUSTAINABILITY REPORT

Parental Leave

Key statistics on Parental Leave taken by eligible employees are as follows:

Sustainability Metric	Male		Female	
	FY2025	FY2024	FY2025	FY2024
Number of employees are entitled to Parental Leave	3	2	5	3
Number of employees who took Parental Leave	3	2	5	3
Number of employees who returned to work after Parental Leave ended	3	1	5	2
Number of employees who continued to be with us 12 months after they returned to work ²⁴	5	-	-	1
Return to work rate of employees who took Parental Leave	100%	50%	100%	67%
Retention rate of employees who took Parental Leave ²⁵	100%	-%	-%	25%

DIVERSITY AND EQUAL OPPORTUNITY

Commitment

We are committed to achieve diversity and equal opportunity for our employees and we do not tolerate any form of discrimination or gender bias in recruitment or progression.

Approach

We view diversity and equal opportunities as essential elements in supporting sustainable development. By fostering an inclusive workforce, we are able to integrate diverse perspectives and bring fresh ideas to our operations.

To support diversity and equality, we implemented the following HR-related measures:

- A Zero-discrimination Policy to ensure a fair and inclusive working environment;
- Structured interview assessment procedures that eliminate discriminatory questions, focusing on merit and competency;
- Assessing employee performance regularly to evaluate progress and adjust remuneration when justified. Refer to section 'Employee Development and Retention' for more information; and
- Recruitment advertisements are carefully crafted to avoid discrimination based on age, race, gender or religion, ensuring our hiring practices remain fair, merit-based, and non-discriminatory.

Performance

As at 31 December 2025, we have a workforce of 648 (FY2024: 632²⁶) permanent full-time and part-time employees to support our operations in Singapore, Malaysia and Thailand:

	Singapore	Malaysia	Thailand	Total
Workforce ²⁷	177	236	235	648
Full-time	161	231	233	625
Part-time ²⁸	16	5	2	23

²⁴ Number of employees who continued to be with us 12 months after they returned to work is depending on the number of employees who took Parental Leave and returned to work after Parental Leave ended in the preceding Reporting Period.

²⁵ Retention rate is calculated based on the number of employees who took Parental Leave in the preceding Reporting Period.

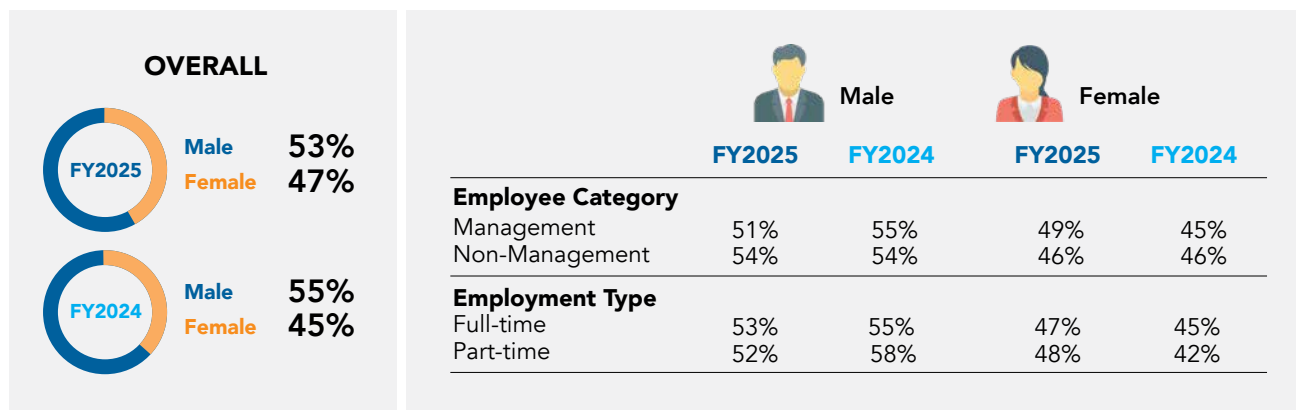
²⁶ Figure is restated due to the classification of employees. The changes to the employee related data are immaterial.

²⁷ Non-guaranteed hours employees account for 18% of the total headcount during the Reporting Period, we will include them for the consideration of gender diversity, age diversity, educational diversity, average training hours, new hires and turnover rate in the next reporting period.

²⁸ Part time employees are employees who are under a contract of service to work less than a certain number of hours a week as defined by the relevant authorities.

Gender Diversity

While we currently have 1 (FY2024: 1) female director on the Board, we are committed to increase the female representation as we believe a diverse Board, including greater gender diversity, enhances decision-making and overall Group performance.



Age Diversity

Key statistics on age diversity of our employees are as follows:

Sustainability Metric	FY2025			FY2024		
	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
Overall	26%	56%	18%	28%	52%	20%
Employee Category						
Management	15%	63%	23%	11%	65%	24%
Non-management	28%	53%	19%	32%	50%	18%
Employment Type						
Full-time	27%	55%	19%	29%	53%	18%
Part-time	13%	17%	70%	13%	33%	54%

Diversity in Educational Background

Key statistics on diversity in educational background of our employees are as follow:

Sustainability Metric	FY2025		FY2024	
	Tertiary	Non-tertiary	Tertiary	Non-tertiary
Education Diversity	36%	64%	31%	69%

During the Reporting Period, there were zero (FY2024: zero) incidents of unlawful discrimination against employees.

SUSTAINABILITY REPORT

ONGOING COMMUNITY ENGAGEMENT

Commitment

We are committed to contribute to the communities through community engagement programmes and we recognise that the long-term success of our business is closely tied to the health and prosperity of the communities where we operate.

Approach

We aligned our community engagement approach with The Sustainable Philanthropy Framework Playbook issued by the Singapore National Council of Social Service ("**Philanthropy Framework**"), and as a supporting framework to guide our community engagement. The Philanthropy Framework articulates the 'Social' aspect of our sustainability goals. Under the Philanthropy Framework, the three (3) main components of 'Why', 'What' and 'How' are defined as follows:

WHY should businesses do philanthropy to impact Society?	Business Purpose, Vision and Mission Contributing to the Society in which the business operated by enhancing: Value Protection: Improve Reputation, Employee Engagement, Customer Loyalty, Investor Perception Value Creation: Generate Long-term Outcomes, Growth Potential				
WHAT issues can my business make an impact on, or vice versa?	Priority Areas				
HOW can businesses make an impact?	Promoting Equitable Opportunities	Empowering Through Education, Awareness and Skillsets	Enhancing Mental and Physical Well- Being	Improving Financial Resilience and Self-Reliance	Facilitating Access to Technology
	Topic				
	Giving	Volunteering		Socially Responsible Business Practices	

Source: The Sustainable Philanthropy Framework by National Council of Social Service

As part of our commitment to enrich the lives of communities, we promote programmes across our geographical operations, focusing on three (3) key areas ("**Focus Areas**") of the: (i) Arts; (ii) People; and (iii) Environment and are mapped to the priority areas of the Philanthropy Framework as follows:

Focus Area	Philanthropy Framework Priority Area
The Arts	Improving financial resilience and self-reliance
The People	Enhancing mental and physical well-being
The Environment	

Focus Area of our Community Programmes



THE ARTS
Sponsoring room
nights for regular arts
beneficiary



THE PEOPLE
Enriching the
communities and
the needy



THE ENVIRONMENT
Preserving and
restoring
the environment

During the reporting period, our ongoing community engagement is as follows:

SUPPORTING THE ARTS

Supporting Arts with the Theatre Practice and The Dance Ensemble Singapore

We are a strong advocate for the arts and have been sponsoring multiple arts groups such as The Theatre Practice²⁹ and The Dance Ensemble Singapore³⁰. In FY2025, Hotel Royal Singapore and Hotel Royal Queens sponsored a total of 402 room nights for its production of arts programmes including ‘Partial Eclipse of the Hearts’, ‘Pickle Party’ and ‘Berries Chinese Theatre Festival: Family Edition’.



Supporting Mural Art Development with Young Artists

Hotel Royal Kuala Lumpur supports the arts through a mural project at its poolside area through a collaboration with students, lecturers, and alumni from Universiti Teknologi Mara, alongside hotel employees, and project coordinator, providing a platform for emerging artists to showcase their talents. The mural enhances the aesthetic appeal of the space, strengthens the hotel’s visual identity, and supports the hotel’s brand positioning ahead of Visit Malaysia 2026, reflecting its commitment to nurturing young creative talent and promoting the arts.



SUPPORTING THE PEOPLE

Supporting the Communities in Need

We actively support local communities through the following initiatives:

- Hotel Royal Signature contributed monetary aid to the ‘Ti-Ratana Welfare Society’ for Lunar New Year, which aided women and children, elderly folks, and the disabled within the local community;
- Burasari Resort employees volunteered at ‘Ban Bang Thong School’, by helping with landscaping activities such as cutting grass and trimming branches; and
- Burasari Resort donated supplies such as dry food, bottled water, and essential supplies to help out flood victims of Southern Thailand.



²⁹ An arts group that consciously nurtures and empowers people who care about humanity, since 2004.

³⁰ A dance academy founded in 1993 with the aim to present multi-faceted Chinese dances and to spread cultural messages infused in Chinese arts and culture.

SUSTAINABILITY REPORT

Donating Blood to those in Need

We continued our long-standing tradition of organising blood donation drives, reaffirming our commitment to supporting local healthcare systems and community well-being. Employees from Hotel Royal Kuala Lumpur and Burasari Resort voluntarily stepped beyond their daily service roles to participate in this meaningful initiative, collectively contributing a total of 29 bags of blood. Through this effort, the initiative is estimated to have supported and potentially saved 87 lives, reflecting our employees' strong spirit of compassion and social responsibility toward the communities in which we operate.



SUPPORTING THE ENVIRONMENT

Cleaning up the Local Neighbourhood

Organised by Low Yat Group and Dewan Bandaraya Kuala Lumpur, employees from Hotel Royal Signature participated in the biannual Jom Bersih Gotong Royong Bukit Bintang programme, helping to clean the local community in the Bukit Bintang area. Similarly, employees from Hotel Royal Bangkok took part in the King's Birthday Clean-up and Big Cleaning Day in the Samphantawong district.



Cleaning up the Beaches

Burasari Resort continued its 'Let's Clean Patong Beach' initiative, a beach cleanup organised by the Phuket Hotels Association in collaboration with other local hotels to maintain the cleanliness of Phuket's beaches. We contributed and collected a total of 68kg of garbage along the Phuket's coastline.

On a separate occasion, Burasari Resort also took part in the 'Clean your Beach, Save your Ocean' initiative another project led by the Phuket Hotels Association. This initiative, in partnership with other local hotels, aimed at keeping the beach pristine while raising awareness about the importance of reducing waste to protect our oceans.



Performance

Key statistics on our community outreach activities are as follows:

Topic	Sustainability Metric	FY2025	FY2024
Giving socially responsible business-related practices	Community investment ³¹ (S\$)	129,759	106,514
	Contribution of community investment to value distributed (%)	0.3%	0.3%
Volunteering	Volunteering time (hours) ³²	168	80
	Number of employee volunteers	757	411
Socially responsible business-related practices	List of socially responsible business-related practices	Refer to section 'Approach' for further information.	Refer to section on 'Approach' for further information.
General	Number of community investment programme	43	33

COMMITMENT TO DATA PROTECTION

Commitment

We are committed to data protection and safeguarding our customer's personal information such as credit card details, phone number and address obtained during our operations.

Approach

In the countries where we operate, we adhere to the relevant personal data protection regulations, which govern the collection, use, disclosure and care of personal information.

As part of our business operations, we collect the following personal data:

- Employee's particulars such as identification number, date of birth, address and contact number; and
- Customer's particulars such as passport or identification details, contact number, age and address.

To ensure compliance with the relevant regulations and safeguard the personal data we handle, we implemented the following measures:

Proactive Management of Personal Data

In alignment with our commitment to data privacy, we established internal policies requiring our employees to maintain strict confidentiality regarding the personal information they handle. Additionally, Burasari Resort Phuket conducted training for its employees on cyber fraud awareness and prevention in strengthen their understanding of cybersecurity and improve overall data protection.

Implement Security Measures to Protect our Data

To protect our customers' privacy, we put in place security safeguards and measures to prevent any unauthorised access and misuse of personal data. We utilise secure socket layer technology to safeguard personal data collected.

Performance

During the Reporting Period, there were zero (FY2024: zero) substantiated complaints concerning breaches of customer privacy and losses of customer data⁷.

³¹ Our community investments include direct financial support and in-kind charitable sponsorships.

³² Volunteering time comprise skill-based volunteering hours, whereby our employees used their specialised or professional skills to support a non-profit organisation.

SUSTAINABILITY REPORT

HUMAN RIGHTS AND LABOUR STANDARDS

Commitment

We are committed to upholding internationally accepted human rights principles, including those related to child labour, forced labour and human trafficking.

Approach

We regard human rights and labour standards as fundamental to the long-term success of our business and to fostering a positive societal impact. Upholding these standards reflects our ethical responsibility and enhances employee well-being.

As part of Hotel Royal Limited's due diligence process, all contract workers hired must be duly supported by legal identification documents such as identity cards or passports, work permits and assurances of their employment rights. Protecting workers' rights is integral to fulfilling our human rights obligations, and we are committed to promoting respect for and protecting the rights of our employees, including supporting freedom of association and collective bargaining.

Performance

For the Reporting Period, there were zero (FY2024: zero) incidents of labour or human rights violations.

GOVERNANCE

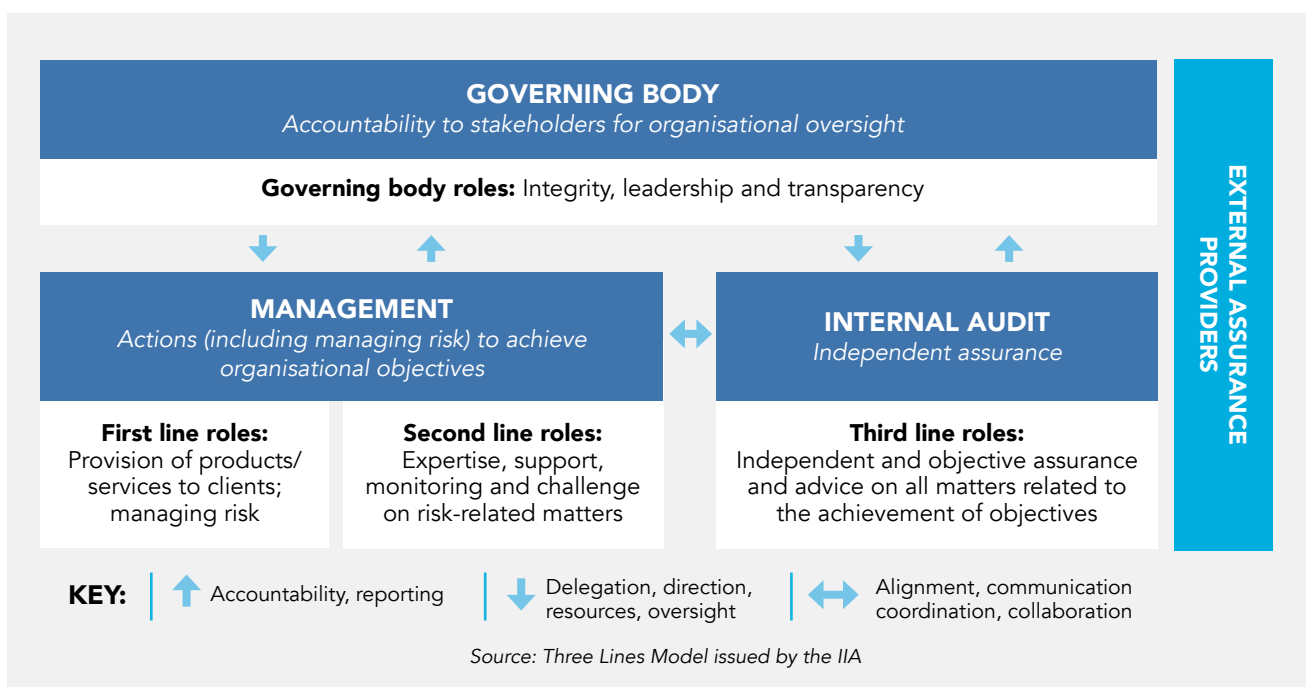
ROBUST CORPORATE GOVERNANCE FRAMEWORK

Commitment

We adhere to the principles and guidelines of the Code of Corporate Governance and are committed to responsible business practices and long-term value creation for all stakeholders.

Approach

We align our corporate governance framework on internal controls and risk management with the Three Lines Model published by the Institute of Internal Auditors ("IIA") as illustrated below:



Our policies and commitments for enforcing anti-corruption and ethical business practices include:

- A Code of Conduct that outlines expectations for employees and the consequences for any violations of rules or standards not being met. Additionally, clear and fair grievance procedures are detailed in the employee handbook;
- A Whistleblowing Policy to encourage reporting of unethical conduct in the workplace, with the assurance that employees can do so confidentially and without fear of reprisals. A dedicated email channel is set up for reporting, and periodic communications are sent to employees to remind them of the reporting procedures for violations of laws and misconduct;
- A Board Diversity Policy to ensure that the Board has a balanced mix of diversity, expertise, and experience;
- We adopt a firm stance against bribery, fraud, money laundering and all forms of corruption, adopting a zero-tolerance approach to unethical practices; and
- We strive to comply with the relevant laws and regulations, including the Mainboard Rules of SGX-ST, Companies Act and Employment Act.

Our risk management and internal control systems are designed to provide reasonable assurance in achieving objectives and are a vital part of our decision-making process in delivering value to stakeholders. Our risk management framework covers ESG-related risks, and you may refer to pages 118 to 124 of this Annual Report for a more detailed discussion of our Risk Management initiatives and results.

The Group remains strongly committed to the best corporate governance practices to ensure long-term sustainability. We comply with the Singapore's Code of Corporate Governance. Please refer to pages 93 to 117 of this Annual Report for more detailed insights into our corporate governance practices.

Performance

Key statistics on our compliance matter are as follows:

Sustainability Metric	FY2025	FY2024
Number of reported incidents of serious offence ⁸	–	–
Number of incidents of non-compliance with laws and regulation ⁹ for which fines and/or non-monetary sanctions were incurred	–	–
Number of fines or penalties arising from non-compliance with environmental laws and regulations	–	–

For further information on our corporate governance practices, please refer to the 'Corporate Governance Report' in the Annual Report.



SUSTAINABILITY REPORT

TARGETS AND PROGRESS

To measure our ongoing sustainability performance and drive continuous improvement, we developed a set of targets related to our material Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend	Progress Tracking
○○○	New target
●●●	Target achieved
●●○	On track to meet target
●○○	Not on track, requires review

S/N	Material Sustainability Factor	Target ³³	Current Year Performance
Economic			
1	Sustainable Business Performance	Short-term <ul style="list-style-type: none"> Improve or maintain our financial performance subject to market conditions 	●●● We improved our financial performance.
2	Customer Satisfaction and Service Quality	Ongoing and long-term <ul style="list-style-type: none"> Maintain or improve customer satisfaction score Maintain or improve employee satisfaction score Short-term <ul style="list-style-type: none"> Obtain a hotel sustainability certification through an authorised GSTC – Accredited Certification Body 	●●● <ul style="list-style-type: none"> We maintained our customer satisfaction score. We improved our employee satisfaction score. ●●● We obtained a hotel sustainability certification through an authorised GSTC – Accredited Certification Body. Hotel Royal Queens is GSTC-certified.
Environmental			
3	Water Conservation	Ongoing-term and long-term <ul style="list-style-type: none"> Maintain or reduce water consumption intensity 	●●● We reduced our water consumption intensity.
4	Responsible Waste Management	Ongoing-term and long-term <ul style="list-style-type: none"> Maintain or reduce waste generated intensity at 0.001 tonnes/number of guest night 	●●● We maintained our waste generated intensity.
5	Energy Conservation and GHG Emissions Reduction	Short-term <ul style="list-style-type: none"> Maintain or reduce GHG emissions intensity by FY2025, with FY2022 as our baseline Medium-term <ul style="list-style-type: none"> Reduce aggregated absolute Scope 2 GHG emission by 30% and by FY2035, with FY2022 as baseline Long-term <ul style="list-style-type: none"> Aspire to achieve carbon neutrality by FY2050 	●●● We reduced our GHG emissions intensity. ●●○ We reduced our aggregated absolute Scope 2 GHG emissions. ●●○ We are on track to achieve carbon neutrality.

S/N	Material Sustainability Factor	Target ³³	Current Year Performance
Social			
6	Employee Safety and Well-Being	<p>Ongoing and long-term</p> <ul style="list-style-type: none"> Maintain zero workplace fatalities, high consequence work-related injuries, recordable work-related injuries and ill health cases 	<p>●●○</p> <p>The number of work-related injuries was reduced to 5.</p>
7	Employee Development and Retention	<p>Ongoing and long-term</p> <ul style="list-style-type: none"> Maintain or improve average training hours per employee at 15 hours Maintain or reduce employee turnover rate at 25% 	<p>●●●</p> <p>We improved our average training hours per employee.</p> <p>●○○</p> <p>Our turnover rate increased to 35%</p>
8	Diversity and Equal Opportunity	<p>Ongoing and long-term</p> <ul style="list-style-type: none"> Maintain zero incidents of unlawful discrimination against employees 	<p>●●●</p> <p>We maintained zero incidents of unlawful discrimination against employees.</p>
9	Ongoing Community Engagement	<p>Ongoing and long-term</p> <ul style="list-style-type: none"> Continue to initiate campaigns to help the communities 	<p>●●●</p> <p>We initiated campaigns to help the communities.</p>
10	Commitment to Data Protection	<p>Ongoing and long-term</p> <ul style="list-style-type: none"> Maintain zero incidents of substantiated complaint concerning breaches of data privacy and losses of personal data 	<p>●●●</p> <p>We maintained zero incidents of substantiated complaint concerning breaches of data privacy and losses of personal data.</p>
11	Human Rights and Labour Standards	<p>Ongoing and long-term</p> <ul style="list-style-type: none"> Maintain zero reported incidents of labour or human rights violations 	<p>●●●</p> <p>We maintained zero incidents of reported incidents of labour and human rights violations.</p>
Governance			
12	Robust Corporate Governance Framework	<p>Ongoing and long-term</p> <ul style="list-style-type: none"> Maintain zero incidents of serious offence⁸ Maintain zero incidents of non-compliance with laws and regulations for which fines and/or non-monetary sanctions were incurred⁹ 	<p>●●●</p> <ul style="list-style-type: none"> We maintained zero incidents of serious offence. We maintained zero incidents of non-compliance with laws and regulations for which fines and non-monetary sanctions were incurred.

For the material Sustainability Factors identified this Report, the Board and SSC have carefully considered the relevance and usefulness of setting related targets across the short, medium and long-term horizons. However, as some historical data trends for certain material Sustainability Factors have yet to stabilise, we have refrained from setting medium and long-term targets at this time. We will disclose such targets in future sustainability reports once the data trends have stabilised and subject to market trends.

³³ Time horizons for target setting are: (1) short-term: within 5 years (until FY2028); (2) medium-term: between 5 to 20 years (FY2029 and FY2043); (3) long-term: above 20 years (FY2044 onwards); and (4) ongoing: encompassing short, medium and long-term.

SUSTAINABILITY REPORT

CLIMATE-RELATED DISCLOSURES

We are committed to supporting the recommendations by the TCFD and disclosed our climate-related financial disclosures in the following key areas:

GOVERNANCE

- (a) Describe the board's oversight of climate-related risks and opportunities.
- (b) Describe management's role in assessing and managing climate-related risks and opportunities.

Refer to the section above 'Sustainability Governance Structure' on details on our governance structure.

STRATEGY

- (a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.
- (b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

We recognise that climate change poses different types of risks to our business. The Group's assessment on potential implication of the above climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("NGFS") range of climate scenarios:

Scenario	Description
Hot House world (Current policies)	While many countries have started to introduce climate policies, they remain insufficient to achieve official commitments and targets. If additional measures are not implemented, global temperature could rise 3 °C or more by 2100. This would result in deteriorating living conditions in many parts of the world and lead to some irreversible impacts like sea-level rise. Physical risks to the economy could result from disruption to ecosystems, health, infrastructure and supply chains.
Orderly (Net Zero 2050)	Achieving a target of net-zero global CO ₂ emissions by 2050 will require an ambitious transition across all sectors of the economy. This scenario highlights the importance of decarbonising the electricity supply, increasing electricity use, increasing energy efficiency, and developing new technologies to tackle hard-to-abate emissions. Transition risks to achieving the target could result from higher emissions costs, and changes in business and consumer preferences, while minimising physical risks.

We selected NGFS' hot house world and orderly scenarios for the purpose of our qualitative climate scenario analysis. The impact of the climate-related risks is analysed on Group-wide activities in the short term (within 5 years, until FY2028), medium term (between 5 and 20 years, between FY2029 and FY2043) and long term (above 20 years, FY2044 onwards). Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during the ERM exercise includes the following:

Physical Risk

Physical Risk 1: Increased Severity of Extreme Weather Events			
Description	<p>Adverse changes in climate patterns such as rising temperatures and extreme weather events (such as floods and droughts) may create accessibility challenges for our guests and employees, disrupt essential hotel services, and increase operational downtime. These climate-related disruptions may reduced occupancy and higher operating costs. Such disruptions may adversely impact our financial performance.</p> <p>Additionally, with rising temperatures and more frequent heatwaves resulting from global warming and climate change, the risks of increased cooling expenditures and reduced labour productivity are expected to rise.</p> <p>We remain vigilant in monitoring the impact of climate change on our operations, mindful of the USD 16 million per hour arising from climate-related damage.</p>		
Financial Impact	Short-term	Medium-term	Long-term
	Scenario: Hot House World		
	●	●	●
	Scenario: Orderly		
	●	●	●
Mitigation Measure	<p>We put in place a climate change transition plan to steer us on our decarbonisation journey. You may refer to Section 'Energy Conservation and GHG Emissions Reduction'.</p>		
Climate-related Opportunity	<p>In view of the potential environmental risks and the resultant emerging needs for energy efficiency and lower emissions, the Group realises the opportunity to invest in energy efficient technologies and renewable energy use.</p>		



SUSTAINABILITY REPORT

Transition Risk

Transition Risk 1: Enhanced GHG Emissions Reporting Obligations			
Description	<p>With rising concerns over the effects of climate change, key stakeholders such as the Regulators and Shareholders are requiring reporting of climate-related information. Failure to comply with enhanced GHG emissions reporting obligations may lead to adverse impacts on the Group's reputation and financial performance.</p> <p>These new requirements necessitate the investment of manpower resource in more comprehensive data collection, analysis, and reporting processes, greater involvement from management, and additional costs for consultants and employee training.</p>		
Financial Impact	Short-term	Medium-term	Long-term
	Scenario: Hot House World		
	●	●	●
	Scenario: Orderly		
	●	●	●
Mitigation Measure	<p>To strengthen our sustainability governance structure, we put in place a Sustainability Committee for managing and monitoring our material Sustainability Factors, including working with the various business units and corporate functions to ensure that these are integrated into our day-to-day operations.</p> <p>In addition, we established terms of reference for component parties involved in the sustainability reporting process, for clarity and accountability purposes.</p>		
Climate-related Opportunity	<p>The enhanced emissions reporting obligations and increase in regulatory costs will raise climate awareness among our employees.</p> <p>With more defined job responsibilities and training, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.</p>		

Legend

● Minor ● Moderate ● Major

In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation, and mitigation plans and explore allocating resources towards transitioning to low-carbon practices. We strive to minimise the climate risks associated with our business and will seize opportunities in an effective manner such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

- (c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. Climate scenario analysis plays a key role in providing insights into the potential extent of the climate-related risks and opportunities for our business.

Through our climate scenario analysis, we concluded that under hot house world scenario (> 3°C warming), unmitigated risks of increased severity of extreme weather events may lead to moderate and severe financial impacts in the medium and long-term. Under orderly scenario (<2°C warming), the climate-related risks identified are not expected to result in significant financial impacts in the short, medium, or long term. To address the risks and capitalise on opportunities associated with climate change, we will continuously refine our strategy to remain resilient throughout our sustainability journey.

RISK MANAGEMENT

- (a) Describe the organisation's processes for identifying and assessing climate-related risks
- (b) Describe the organisation's processes for managing climate-related risks.
- (c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Climate-related risk management is integrated into our ERM framework, where potential climate-related risks are identified, assessed, monitored and managed. Each business units and function are responsible for identifying and documenting the climate-related risks that might hinder their progress towards contributing to the Group's business objectives. These risks and opportunities, along with their treatment plans, are reviewed and updated during the ERM exercise and presented to the ARC along with the other key enterprise-wide risks. Climate-related risks are also monitored based on the trend of climate-related Sustainability Metrics.

METRICS AND TARGETS

- (a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We track, measure and report on our environmental performance, including energy, GHG emissions, water and waste management and disclose related metrics in our sustainability reports. Monitoring and reporting these metrics help us in identifying areas with key climate-related risks and enabling us to be more targeted in our efforts.

- (b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.

To support the climate change agenda, we disclose our Scope 1, 2 and selected categories of Scope 3 GHG emissions in this Report and set climate-related targets such as those related to GHG emissions, water and waste management. We will continue to monitor our emissions and expand our disclosure for our Scope 3 GHG emissions wherever applicable and practicable.

Our disclosure on indirect GHG emissions (Scope 3) includes purchased goods and services (category 1), waste generated in operations (category 5), business travel (category 6) and employee commuting (category 7) in FY2025.

- (c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

As a commitment towards mitigating climate change, climate-related targets related to water consumption, waste management and GHG emissions are set. For further details, please refer to section 'Targets and Progress'.

SUSTAINABILITY REPORT

INDUSTRY-BASED GUIDANCE ON IMPLEMENTING CLIMATE-RELATED DISCLOSURE METRICS

The sustainability disclosure metrics are based on the IFRS Sustainability Disclosure Standard Industry-Based Guidance for implementing climate-related disclosure (Volume 52 – Hotels and Lodging), which only covers the Hotel Operations business segment.

Sustainability Metrics

Topic	Sustainability Metric	FY2025	FY2024
Energy Management	Total energy consumed (GJ)	87,881	114,281 ¹⁶
	Percentage grid electricity (%)	95	96
	Percentage renewable (%)	-	-
Water Management	Total water withdrawn (Cubic metres)	325,481	412,124
	Total water consumed, percentage of each region with high or extremely high baseline water stress (%)	11	10
Climate Change Adaption	Number of lodging facilities located in 100-year flood zones ³⁴	2	2

Activity Metrics

Activity Metric	Unit of Measure	FY2025	FY2024
Number of available room-nights	Number	679,298	632,230 ³⁵
Average occupancy rate ³⁶	Rate	0.76	0.75 ³⁵
Total area of lodging facilities ³⁷	Square metres	212,604	212,604 ³⁵

³⁴ The 100-year flood zones are determined based on the individual countries floodplain mapping systems.

³⁵ Data is restated as a correction.

³⁶ Measured as number of occupied room-nights divided by available room-nights across all properties.

³⁷ The scope includes facilities that were owned, operated, leased, or franchised during any portion of the reporting period.



KEY ASSUMPTIONS

The key assumptions reflect the current market conditions, regulatory landscapes, and stakeholder expectations. Details of the scopes and assumptions for our scenario analysis and climate change transition plan are as follows:

Disclosure	Assumption
<p>Climate Change Transition Plan</p>	<p>Our climate change transition plan, including levers and detailed action plans, assumed certain future events, trends, plans, expectations, and objectives relating to the Group’s business operations, in setting our targets. It is also prepared based on the current operating environment, which includes policies and plans undertaken by governments and other stakeholders.</p> <p>Accordingly, these assumptions are subjected to inherent uncertainties including (but not limited to) changes in regulatory requirements, progress in technological developments, stakeholders’ action and reaction, and other external factors that are beyond the Group’s control.</p> <p>As such, our climate change transition plan may be reviewed and updated over time to reflect evolving circumstances and availability of new information.</p>
<p>Scenario Analysis</p>	<ul style="list-style-type: none"> • In assessing the potential implications of climate-related risks based on NGFS range of climate scenarios, we also considered alternate range of climate scenarios from the International Energy Agency and the Representative Framework, and made various assumptions adopted in such frameworks. • The scenario analysis performed is dependent on the said assumptions under the NGFS range of scenarios. Key assumptions are as follows: <ul style="list-style-type: none"> (i) Orderly (Net Zero 2050): Assumes that ambitious climate policies and technological shifts are introduced immediately and forcefully impact the economy. (ii) Hot House World (Current Policies): Assumes that only currently implemented policies are preserved, leading to high physical risks. Emissions grow leading to about 3°C. Investments allocation and energy mix do not change. • Constant growth is assumed when assessing financial and environmental impact. • The scenario analysis includes a modelling process, which is constantly changing as the operating environment evolves, and contains uncertainties and limitations that are commonly associated with scenario analysis.



SUSTAINABILITY REPORT

GRI CONTENT INDEX

Statement of Use	Hotel Royal Limited has reported in accordance with the GRI Standards from 1 January 2025 to 31 December 2025.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure	Location and Omissions
GENERAL DISCLOSURE		
GRI 2: General Disclosures 2021	2-1 Organisational details	3, 15
	2-2 Entities included in the organisation's sustainability reporting	27, 42
	2-3 Reporting period, frequency and contact point	42
	2-4 Restatements of information	62, 76
	2-5 External assurance	42
	2-6 Activities, value chain and other business relationships	41
	2-7 Employees	We have approximately 115 non-guaranteed hours employees in FY2025. They are employees from food and beverage services, maintenance, housekeeping and front office.
	2-8 Workers who are not employees	We have approximately 144 workers who are not employees in FY2025. They include workers in front office, kitchen, housekeeping and maintenance.
	2-9 Governance structure and composition	12-13
	2-10 Nomination and selection of the highest governance body	101-104
	2-11 Chair of the highest governance body	12, 94-99
	2-12 Role of the highest governance body in overseeing the management of impacts	12, 44-45, 94-99
	2-13 Delegation of responsibility for managing impacts	44-45
	2-14 Role of the highest governance body in sustainability reporting	44-45
	2-15 Conflicts of interest	95, 98, 101, 110, 117
	2-16 Communication of critical concerns	68-69, 123
	2-17 Collective knowledge of the highest governance body	44, 95-96
	2-18 Evaluation of the performance of the highest governance body	104-105
	2-19 Remuneration policies	105-109
	2-20 Process to determine remuneration	105-109
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	39
	2-23 Policy commitments	44, 68-69, 100, 111
	2-24 Embedding policy commitments	44, 68-69, 100, 111
	2-25 Processes to remediate negative impacts	118-124

GRI Standard	Disclosure	Location and Omissions
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	68-69
	2-27 Compliance with laws and regulations	68-69
	2-28 Membership associations	We do not hold any significant role in membership association
	2-29 Approach to stakeholder engagement	43, 47-48, 116
	2-30 Collective bargaining agreements	As at 31 December 2025, 19% of our full-time employees in our workforce are covered by collective bargaining agreements. The collective bargaining agreements only cover the rank-and-file employees who are mainly clerical, sales and service employees.
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	46-48
	3-2 List of material topics	47-48
	3-3 Management of material topics	48-69
SUSTAINABLE BUSINESS PERFORMANCE		
GRI 3: Material Topics 2021	3-3 Management of material topics	48
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	48
	201-2 Financial implications and other risks and opportunities due to climate change	72-75
	201-3 Defined benefit plan obligations and other retirement plans	149-176
	201-4 Financial assistance received from government	179
ROBUST CORPORATE GOVERNANCE FRAMEWORK		
GRI 3: Material Topics 2021	3-3 Management of material topics	68-69
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	68-69
	205-2 Communication and training about anti-corruption policies and procedures	68-69
	205-3 Confirmed incidents of corruption and actions taken	68-69
ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION		
GRI 3: Material Topics 2021	3-3 Management of material topics	54-58
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	54-58
	302-2 Energy consumption outside of the organisation	54-58
	302-3 Energy intensity	54-58
	302-4 Reduction of energy consumption	54-58
	302-5 Reductions in energy requirements of products and services	54-58
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	54-58
	305-2 Energy indirect (Scope 2) GHG emissions	54-58
	305-3 Other indirect (Scope 3) GHG emissions	54-58

SUSTAINABILITY REPORT

GRI CONTENT INDEX

GRI Standard	Disclosure	Location and Omissions
GRI 305: Emissions 2016	305-4 GHG emissions intensity	54-58
	305-5 Reduction of GHG emissions	54-58
	305-6 Emissions of ozone-depleting substances (ODS)	Disclosure is not applicable as we do not emit a material amount of these emissions through our products, services and operations.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Disclosure is not applicable as we do not emit a material amount of these emissions through our products, services and operations.
WATER CONSERVATION		
GRI 3: Material Topics 2021	3-3 Management of material topics	52
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	52
	303-2 Management of water discharge-related impacts	52
	303-3 Water withdrawal	52
	303-4 Water discharge	52
	303-5 Water consumption	52
RESPONSIBLE WASTE MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	53-54
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	53-54
	306-2 Management of significant waste-related impacts	53-54
	306-3 Waste generated	53-54
	306-4 Waste diverted from disposal	53-54
	306-5 Waste directed to disposal	53-54
EMPLOYEE DEVELOPMENT AND RETENTION		
GRI 3: Material Topics 2021	3-3 Management of material topics	59-62
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	59-62
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	59-62
	401-3 Parental leave	59-62
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	59-62
	404-2 Programs for upgrading employee skills and transition assistance programs	59-62
	404-3 Percentage of employees receiving regular performance and career development reviews	59-62

GRI Standard	Disclosure	Location and Omissions
EMPLOYEE SAFETY AND WELL-BEING		
GRI 3: Material Topics 2021	3-3 Management of material topics	58-59
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	58-59
	403-2 Hazard identification, risk assessment, and incident investigation	58-59
	403-3 Occupational health services	58-59
	403-4 Worker participation, consultation, and communication on occupational health and safety	58-59
	403-5 Worker training on occupational health and safety	58-59
	403-6 Promotion of worker health	58-59
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	58-59
	403-8 Workers covered by an occupational health and safety management system	58-59
	403-9 Work-related injuries	58-59
	403-10 Work-related ill health	58-59
DIVERSITY AND EQUAL OPPORTUNITY		
GRI 3: Material Topics 2021	3-3 Management of material topics	62-63
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	62-63
	405-2 Ratio of basic salary and remuneration of women to men	Information is not provided due to confidentiality constraints.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	62-63
ONGOING COMMUNITY ENGAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	64-67
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	64-67
	413-2 Operations with significant actual and potential negative impacts on local communities	52-58, 72-75
COMMITMENT TO DATA PROTECTION		
GRI 3: Material Topics 2021	3-3 Management of material topics	67
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	67

INVESTOR RELATIONS

We are committed to fostering investor confidence and trust by maintaining transparent, consistent communication channels.

Our Investor Relations (IR) policy ensures that shareholders receive comprehensive and timely updates regarding all significant developments within the Group.

In accordance with the Singapore Exchange Listing Rules and the Singapore Companies Act, our IR policy prohibits preferential or selective disclosure to any shareholder group.

We provide clear and prompt dissemination of our financial performance, business strategies, and other pertinent corporate information to shareholders and the broader investment community. Such disclosures are made available through platforms including SGXNet and the Company's website. Our communications encompass corporate results notifications, press releases, annual and sustainability reports, and other key announcements. The corporate website features further resources such as current and historical financial statements, annual reports, news releases, and details on major events.

We also actively engage with shareholders at both annual and extraordinary general meetings, ensuring they have the necessary information to make informed decisions and offering opportunities to consider their perspectives.

Shareholders are welcome to contact us directly through our dedicated email address: ir@hotelroyal.com.sg. This contact information is also provided on the inside cover of our annual reports as well as on our corporate website. We strive to respond promptly and thoroughly to all queries received via this channel.

Beyond regular reporting of our financial and operational performance, we place strong emphasis on environmental, social, and governance (ESG) matters, recognising their growing importance to investors. Our efforts in these areas are communicated through various channels, including one-to-one meetings, participation in industry conferences, and through our Investor Relations website.

CALENDAR OF EVENTS

FY2024	FY2025	EVENT
28-Feb	28-Feb	Full-Year Results Announcement
5-Apr	4-Apr	Annual Report
26-Apr	25-Apr	Annual General Meeting
6-Jun	5-Jun	Payment of Dividend
13-Aug	12-Aug	Half-Yearly Results Announcement



CORPORATE SOCIAL RESPONSIBILITY



Burasari Resort Beach Cleaning.

THE ENVIRONMENT

The Group is dedicated to effectively managing the environmental impact of its operations, with a particular emphasis on energy consumption, water usage, and waste generation. All hotels strictly adhere to regulatory requirements in Singapore, Malaysia, and Thailand.

Recognizing that sustainability is integral to long-term success, the Group prioritizes initiatives that drive profitability and create shareholder value. Key areas of focus include environmental protection, community empowerment, and corporate stewardship. Corporate Social Responsibility (CSR) and sustainability remain at the core of the Group's 5-Year Roadmap, designed to support both competitiveness and growth.

In its ongoing transition toward low carbonization, the Group systematically reviews energy use and greenhouse gas emissions to minimize its carbon footprint. The Sustainability Report (pages 38 to 81) details strategic plans, initiatives, and measurable targets for reducing environmental impacts while sustaining operational resilience and delivering long-term value to stakeholders. This approach ensures a balanced alignment between efficient business operations and environmental responsibility.

Energy Conservation and GHG Emissions Reduction

Hotel Royal systematically monitors and reviews energy usage. The GHG emissions profile is updated annually for Scope 1, 2, and 3 emissions within established boundaries, as well as following significant changes in business models or operational processes.

The current tracking covers Scope 1, 2, and select Scope 3 emissions, with ongoing efforts to develop mechanisms for monitoring additional Scope 3 emissions where practical. A climate change transition plan is in place and will be continually refined in response to developments in business, environmental conditions, and market dynamics. Progress updates will be provided in future sustainability reports, which are subject to internal compliance review.

GHG emissions are assessed following the GHG Protocol, utilizing an operational control approach to define reporting boundaries. This method is chosen for its effectiveness in managing emissions within the organisation's scope of control.

As part of our decarbonisation strategy, Hotel Royal is committed to reducing absolute Scope 2 GHG emissions by 30% by FY2035 and aims to achieve carbon neutrality by FY2050, referencing FY2022 as the baseline year.

For further details regarding energy consumption, energy intensity, and GHG emissions, please consult pages 54 to 58 of this Annual Report.



CORPORATE SOCIAL RESPONSIBILITY

Water Conservation

Water plays a crucial role in numerous hotel functions such as guest rooms, hot water supply, cooling towers, food and beverage services, housekeeping, recreational facilities, and public amenities. To encourage mindful water usage, the hotel has initiated several measures, including:

- Installing a Building Management System at Hotel Royal and Hotel Royal Queens to swiftly handle any water leaks.
- Assigning facility management teams to oversee water conservation activities.
- Displaying water conservation posters, setting policies, and establishing procedures to remind staff of water's significance.
- Fitting public washrooms with motion sensor taps and placing water meters to track usage.
- Regulating water pressure in both guest rooms and public toilets to reduce consumption.
- Carrying out preventive maintenance for plumbing systems, pipes, tanks, and faucets to maintain proper functionality and avert leaks.

In FY2025, our water usage decreased by 21% to reach 325,481 cubic metres, resulting in a 26% reduction in the water consumption intensity to 0.36 cubic metres per guest night.

For further details about our water consumption, please see page 52 of this Annual Report.

Waste Management

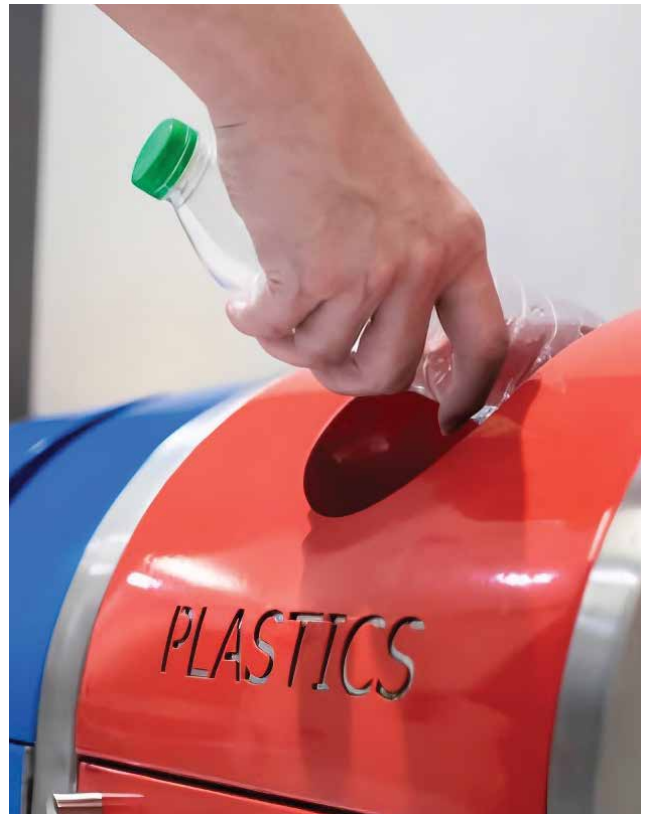
Following our “Reduce, Reuse, Recycle” policy, the Group actively pursues strategies to cut down waste produced across operations. This includes managing recyclable items, food waste, unsaleable food, laundry residue, and furniture or fixture disposal. We aim to optimise waste management, make the best use of resources, conserve water, and support a circular economy.

Every property adheres to recycling protocols for non-hazardous materials such as cardboard, paper, plastics, and glass, all of which are collected by external contractors.

To tackle food waste, two bio-digestors have been set up at Singapore hotels, turning leftover food into organic fertiliser. Food process controls help limit wastage, suppliers are assessed for sustainability, and packaging for customers is reduced.

Hotel Royal Singapore, Hotel Royal Queens, and Baba House have installed water dispensers on each floor to reduce single-use plastics, while Hotel Royal Signature provides water filters in every guest room. The Group also works with eco-friendly suppliers to further decrease plastic packaging.

For more details on the waste produced by our operations, please see page 53 and 54 of this Annual Report.



THE COMMUNITY & THE ARTS

At Hotel Royal, we are dedicated to having a positive influence in the communities where we operate. In FY2025, our establishments contributed a total of S\$147,249 in both monetary donations and in-kind support.

Arts Sponsorship

As part of our ongoing support for the arts, our Singapore properties—Hotel Royal Singapore and Hotel Royal Queens—sponsored a total of 402 (2024: 271) room nights for Singapore-based arts group The Theatre Practice and Dance Ensemble Singapore.



Community Engagement

Beyond our ongoing commitment to arts sponsorship, we have consistently focused on community outreach throughout the year.

Hotel Royal Kuala Lumpur continued its tradition of bringing joy to the community throughout the festive seasons. In March 2025, the hotel organised a Bubur Lambuk giveaway in front of their Bukit Bintang location during Ramadan. The following month, in April, they celebrated Aidilfitri with the children of Rumah Bakti Al Kausar, creating an event filled with love, compassion, and the true spirit of Raya.

Meanwhile, Hotel Royal Signature held a Majlis Buka Puasa in partnership with Pusat Jagaan Kasih Nurul Hasanah during Ramadan. For Chinese New Year, they connected with the Ti-Ratana Welfare Society, and as part of their CSR programme, also hosted a Christmas celebration.



Hotel Royal Kuala Lumpur, Bubur Lambuk giveaway.

CORPORATE SOCIAL RESPONSIBILITY

Supporting Communities in Need

In 2025, Burasari Resort Phuket demonstrated its commitment to community engagement through various initiatives, including the donation of school supplies to Koh Maprao School, providing flood relief assistance in Southern Thailand, and contributing to the Thai Red Cross.

Burasari also played a role in healthcare improvement by supporting the construction of an operating theatre at Chong Hospital. Additionally, staff volunteers contributed their time to grass cutting and landscaping activities at Ban Bang Thong School.

During Phuket's Vegetarian Festival, the resort participated in multiple events such as shrine cleaning, incense preparation, and making charitable cash donations for kitchen food preparation.

Burasari demonstrated its commitment to environmental sustainability by organizing clean-up activities at Patong Beach and initiating a mangrove conservation project, which involved releasing crabs to aid in the restoration of coastal ecosystems.

On August 28, 2025, Hotel Royal Bangkok contributed to marine ecosystem recovery at Tawanron Beach in Chonburi Province. Forty staff members took part in releasing juvenile blue crabs and sea shrimps at the shoreline. They also assisted with cleaning up the area and sorting collected waste materials along the way.

Two of our properties - Hotel Royal Kuala Lumpur and Burasari Resort - conducted a successful blood donation drive. Furthermore, staff members from Burasari took part in breast cancer screening programs.

On March 22, 2025, Hotel Royal Bangkok, Burasari Resort, and Hotel Royal Kuala Lumpur participated in Earth Hour by dimming shared-area lights and lighting candles from 8:30pm for one hour, signifying their commitment to sustainability.

Earth Hour is a global initiative led by the World Wide Fund for Nature (WWF), encouraging individuals, communities, and organisations to switch off non-essential lights for one hour in support of environmental protection. Through involvement in this annual event, these properties raised awareness among guests and employees regarding the effects of climate change and emphasized the importance of energy conservation.



Donate supplies to help flood victims in Southern Thailand.



Donated school supplies to Koh Maprao School.



Mangrove conservation, Crab release activity.



Hotel Royal Kuala Lumpur blood donation drive.



Hotel Royal Kuala Lumpur participated in Earth Hour.

PEOPLE REPORT



EMPOWERING OUR PEOPLE

At Hotel Royal, we are dedicated to empowering and engaging our workforce, recognising these elements as fundamental drivers of innovation and productivity. We prioritise staff well-being and professional growth by providing competitive compensation, meaningful recognition, and comprehensive training programmes within a supportive and inclusive environment. We believe that cultivating a culture where employees feel respected and motivated leads to exemplary service delivery and creates memorable experiences for our guests. This ongoing commitment fosters loyalty, enhances our brand reputation, and contributes to sustainable growth within the community.

With 648 employees across our properties in Singapore, Malaysia, and Thailand, it is crucial to implement a structured 360-degree feedback system that facilitates open communication between staff and management. Conducted quarterly, this process encourages employees to propose innovative solutions to enhance productivity and address operational challenges.

Employees also participate in an annual Employee Satisfaction Survey, which provides valuable insights into their training requirements, job satisfaction, workplace quality, benefits, and overall welfare. In FY2025, the average score achieved on this survey was 82%, a one percentage point improvement from the previous year.

We place significant value on all team members as ambassadors of our brand and remain committed to their continuous development through targeted training and upskilling opportunities. Our ISO-certified training programmes focus on four core objectives: customer service, attitude, recognition, and work efficiency. Additionally, we offer on-the-job training (OJT) for front office, food & beverage, housekeeping, security, first aid, and customer service personnel.

In FY2025, total training hours increased by 128.2% year-on-year to 36,563 hours across the Group, with average training hours per employee rising by 121.9% to 59 hours.

Each year, we also monitor the Customer Satisfaction Survey, which evaluates staff performance in meeting guest expectations. In FY2025, the survey recorded an average score of 88% which was similar to the prior year. Insights from this survey are utilised to facilitate discussions with staff on strategies for organisational improvement.

Celebrating Our Successes

Employees seek meaningful recognition for their excellent work—whether demonstrated through individual accomplishments, collaborative team efforts, or outstanding customer interactions—and value a fair and comprehensive review of their performance.

Each year, our staff in Singapore receive national recognition through prestigious accolades such as the Excellence Service Awards (organised by the Singapore Hotel Association (SHA)), Hotel Security Awards (jointly organised by the Singapore Hotel Association, Singapore Police Force, and the National Crime Prevention Council), and the Employee of the Year Awards (organised by Food, Drinks and Allied Workers Union (FDAWU), National Trades Union Congress, and the Singapore Hotel Association). Additional honours include the SHA Bravery, SHA Honesty Awards, and SHA/Singapore Kindness Movement (SKM) Honesty Awards. Furthermore, our properties acknowledge exceptional employees on a monthly and quarterly basis.

In 2025, 46 staff members in Singapore were recipients of the Excellence Service Awards, earning 9 Star, 14 Gold, and 15 Silver awards. 2 employees received the Hotel Security Awards, while 3 were honoured with the SHA Bravery Award, another with the SHA/SKM National Kindness Award, and 2 more with the Employee of the Year Award.

Beyond national recognition, we celebrate top-performing staff internally with the “Outstanding Service Provider of the Year” Award and the “Extra Mile Award”. Staff also compete annually for the “Outstanding Service Providers” distinction.

PEOPLE REPORT

THE SINGAPORE HOTEL ASSOCIATION'S EXCELLENCE SERVICE AWARD 2025

NATIONAL AWARDS

Entity	Award	Employee Name	Designation	Department
Hotel Royal Singapore	Star	Helmey Bin Musrapa	Captain	Food & Beverage (F&B)
		Muhammad Juin Bin Gunsilau	Junior Captain	F&B
		Zailani Bin Samsuri	Security Supervisor	Security
		Wahid A/L Parasuraman	Security Supervisor	Security
	Gold	Yu Shuqing	Senior Room Attendant	Housekeeping
		Ruelos Harry Dilay	Duty Manager	Front Office (FO)
		Nadaraja A/L Lognathan	Bell Supervisor	FO
	Silver	Nurinna Binte Mohamed Noor	Senior Guest Relations Officer	FO
		Chan Kheng Mian Samuel	Security Supervisor	Security
Hotel Royal Queens	Star	Kwa Shu Min	Guest Service Officer	FO
		Bong Sam Moi	Room Attendant	Housekeeping
		Tng Bee Keng	Accounts Assistant	Finance
		Xing Shilei	F&B Supervisor	F&B
		Lily Tan	Housekeeping Executive	Housekeeping
	Gold	Malathy Silvan	Guest Service Agent	FO
		Nur Sabrina Binte Abdul Rahim	Guest Service Agent	FO
		Gunalan A/L Murthy	Technician	Property
		Fong Yee Loong	Cook	F&B
		Goh Yi Kai	Housekeeping Coordinator	Housekeeping
		Chua Pheh Khim	F&B Clerk	F&B
		Alfyro Bin Ozaer Al Johary	Guest Experience Manager	FO
		Maniselvan Krishnan	Senior Duty Manager	FO
		Lee Oi Wu	Restaurant Manager	F&B
		Aaryan Bin K Kannan	Bell Captain	FO
	Mochsen Bin Mohd	Security & Safety Officer	Security & Safety	
	Silver	Ong Cheow Fang	Accounts Assistant	Finance
		Liew Yi Hao	Guest Service Officer	FO
		Zaw Lin Htwe	Room Attendant	Housekeeping
		Kham Cho	Room Attendant	Housekeeping
		Syed Faisal Bin Syed Idris Alkhatib	Bell Hop	FO
		Rohmat Bin Sarmin	Bell Hop	FO
		Gaurana JR Meldwin Espaldon	Guest Service Agent	FO
		Loh Yi Wen	Cook	F&B
		Navyin Singh A/L Arnjit Singh	Duty Manager	FO
		Salvador Genesis Galve	F&B Captain	F&B
		Winace Mores Ogaya	Guest Service Executive	FO
		On Geok Poh	Accounts Officer	Finance
		Wishnuwarman A/L Muniandy	Assistant Housekeeping Supervisor	Housekeeping

THE SINGAPORE HOTEL ASSOCIATION'S EXCELLENCE SERVICE AWARD 2025**SHA HOTEL SECURITY AWARD 2025 - SHA VIGILANCE AWARD**

Coverage	Employee Name	Designation	Department
Hotel Royal Singapore	Wahid A/L Parasuraman	Security Supervisor	Security
	Zailani Bin Samsuri	Security Supervisor	Security

EMPLOYEE OF THE YEAR AWARD 2025 Organised by FDAWU (Food, Drinks and Allied Workers Union), National Trades Union Congress and Singapore Hotel Association

Coverage	Employee Name	Designation	Department
Hotel Royal Singapore	Law Jing Ying	Senior Human Resources Officer	Human Resources
Hotel Royal Queens	Lily Tan	Housekeeping Executive	Housekeeping

SHA BRAVERY AWARD 2025

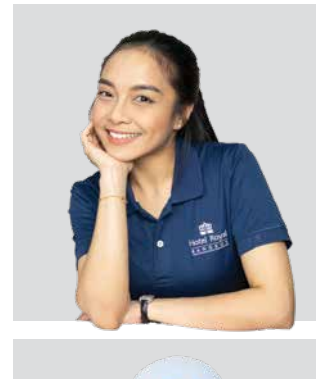
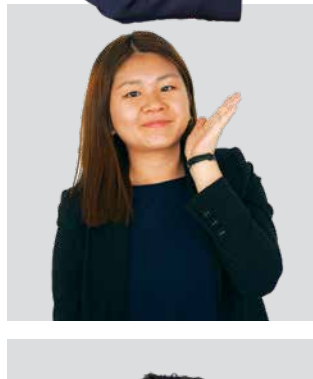
Coverage	Employee Name	Designation	Department
Hotel Royal Singapore	Ruelos Harry Dilay	Duty Manager	FO
	Nadaraja A/L Lognathan	Bell Supervisor	FO
Hotel Royal Queens	Maniselvan Krishnan	Senior Duty Manager	FO

NATIONAL KINDNESS AWARD AWARD 2025 - SHA/SKM SERVICE GOLD Organised by Singapore Hotel Association & Singapore Kindness Movement

Coverage	Employee Name	Designation	Department
Hotel Royal Queens	Wishnuwarman A/L Muniandy	Assistant Housekeeping Supervisor	Housekeeping



People Report



1st row: Lily Tan (Queens), Muhammad Amir Aiman Bin Syahrul (Newton), Nadhirah Sharudin (Baba House).
 2nd row: Muhammad Amierul Firdaus (Baba House), Yu Shuqing (Signature), Pannita Wongnan (Bangkok).
 3rd row: Khairul Hafiz bin Mohd Kahar (KL), Helmey Bin Musrapa (Newton), Xing ShiLei (Queens).
 4th row: Zailani Bin Samsuri (Signature), Lim Hui Yi (Signature), Namthip Klangdit (Bangkok).
 5th row: Harry Dilay Ruelos (Signature), Aprisoni Putra bin Shahrial (KL), Nurul Hidayah Binti Suhaimi (KL).



1st row: Mochsen Bin Mohd (Queens), Suwana Keeraibanchorn (Bangkok), Mandy Chan Kah Mun (Signature).
 2nd row: Michelle Hong Jun Huey (Baba House), Malek b Ahmad (KL), Muhammad Haris Win Musli (Baba House).
 3rd row: Siti Zulaika binti Jafra (HRKL), Wishnuwarman A/L Muniandy (Queens), Maniselvan A/L Krishnan (Queens).
 4th row: Kaweewat Sirikul (Bangkok), Nonglak Assavasupsakul (Bangkok), Yew Wei Leong (Baba House).
 5th row: Koh Wen Long Brendan (Signature), Law Jing Ying (Newton), Noorfaezah Binti Samsudin (Signature).

AWARDS & ACCOLADES

2025

Hotel Royal Singapore

- Friends of the Arts Award by National Arts Council
- Singapore Corporate Award: Best Annual Report - Bronze (Market cap below S\$300m)
- SIAS Corporate Governance Award - Small cap category
- Hotel Security Award 2025

Hotel Royal Queens

- Hotel Security Award 2025
- GSTC Certification 2025

Hotel Royal Signature

- DIDA Award - Most Productive Hotel (November 2025)

Baba House

- Trip.com Best Cultural Hotel 2025
- Agoda Gold Circle Award 2025

Hotel Royal Bangkok

- Excellent Practices Establishment on Labour Relations and Welfare Award 2025 from The Department of Labour Protection and Welfare

Burasari Resort

- CF Hotel Certificate from Tourism Authority of Thailand
- Green Health Hotel Standard
- Sustainable Tourism Acceleration
- SAN Certificate (Kantok Resturant, Pool Bar Misty Bar)
- Green Hotel for Sustainability
- Agoda Customer Review Award
- Trusted Thailand Mark
- 3C (Clean Bed, Clean Air, Clean Food) Certificate 2025



2024

Hotel Royal Singapore

- Friends of the Arts Award by National Arts Council
- NFEC Fire Safety Award 2024 by National Fire & Emergency Preparedness Council

Hotel Royal Kuala Lumpur

- Agoda Customer Review Award

Baba House

- Trip.Best Cultural Hotel 2024
- Exceptional 10.0 - Hotels.com
- Traveller Review Awards 2024 - Booking.com
- "Best Sustainable Urban Tourism Product of Malaysia" in ASEAN Sustainable Tourism Awards 2024-2025 – Mari Chiak Restaurant & Baba House

Hotel Royal Bangkok

- TripAdvisor Travelers' Choice Award

Burasari Resort

- The Leisure Hotel Award of the Year - City Travel Media (China)
- TripAdvisor Travelers' Choice Award

2023

- Baba House's Mari Chiak Restaurant was one of 11 themed restaurants who represented Malaysia in the 4th ASEAN Sustainable Tourism Award. It emerged winner of the Award's Urban Product category in the ASEAN Tourism Forum 2024 held in Laos.
- Baba House also won the Top Performance Hotel Award from Booking.com and the Top Production Hotel Award from Convergent.
- Hotel Royal Singapore was conferred the 2023 Gold Circle Award from Agoda and Recognition Award from Tiket.com.
- Burasari Resort and its Kantok Restaurant clinched Travelers' Choice Awards 2023 from TripAdvisor.
- Hotel Royal Bangkok bagged the Best Cooperative Partner Hotel award from CIT; Traveller Review Awards from Booking.com and Traveloka's Preferred Hotel Partner Award for being the top producer in the Yaowarat (Chinatown) Bangkok Area in 2023.
- Hotel Royal Kuala Lumpur also received the top Production Hotel award from Trip.com in 2023.

2022

- Bronze Award in the Green Interior & Adaptive Reuse category in MIID REKA Awards 2022 for design excellence organised by Malaysian Institute of Interior Designers.
- Finalist in the Hospitality category in MIID REKA Awards 2022 for design excellence organised by Malaysian Institute of Interior Designers.
- NFEC Fire Safety Award 2022.
- SG Clean Certification (since July 2020 & extended till 30 Jun 2023).

2021

- SGX Fast Track Program (2018 to 2021) (For being among the top percentile of all listed companies in Singapore for good corporate governance).
- SG Clean Certification (since July 2020).

2020

- SGX Fast Track Program (2018 to 2021) (For being among the top percentile of all listed companies in Singapore for good corporate governance).
- Singapore Governance and Transparency Index 2020 (Ranked 41 out of 577 SGX-listed companies who were assessed).

Corporate Governance Report

The Board and management of Hotel Royal Limited firmly believe that the Group's unwavering commitment to best practices in corporate governance is essential to its long-term sustainability and performance. This commitment begins with cultivating a positive workplace culture — one that upholds integrity, respect, and accountability at every level of the organisation. By fostering an environment where ethical conduct, transparent communication, and shared responsibility are exemplified from the top down, the Group ensures that governance principles are not merely observed but embodied in daily practice. Guided by these values, Hotel Royal remains steadfast in its pursuit of corporate excellence through the implementation of sound, transparent, and consistent policies and practices. The Group continues to align fully with both the letter and spirit of Singapore's Code of Corporate Governance, upholding transparency and ethical stewardship as central to its operations. In doing so, the Group achieves operational excellence and drives sustainable, long-term growth and value creation for its shareholders.

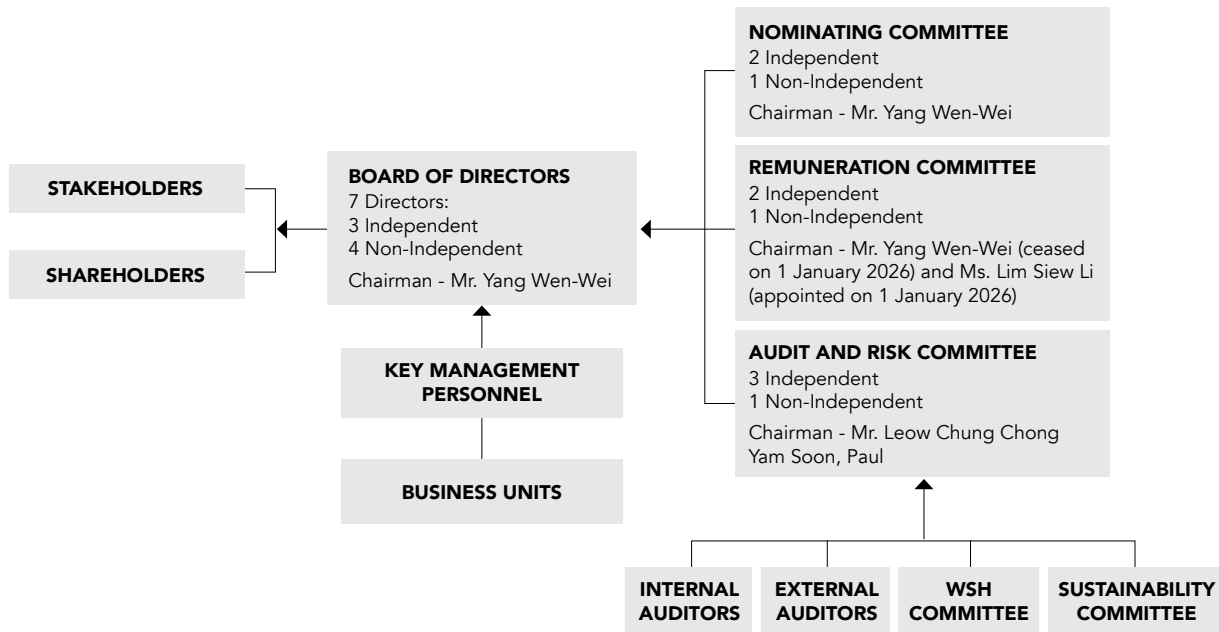
CORPORATE GOVERNANCE REPORT

This report describes the Company's corporate governance framework and practices for the financial year ended 31 December 2025 ("FY2025") with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (the "Code"). For FY2025, the Company has complied with all the principles of the Code and

substantially all the provisions set out thereunder. Variations in practice from any provision of the Code are explained in this report.

The Annual Report should be read in totality for Hotel Royal's full compliance.

CORPORATE GOVERNANCE FRAMEWORK AS AT 31 DECEMBER 2025



I. BOARD MATTERS

THE BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

PROVISION 1.1

Principal Duties of the Board

The Board strives to create value for its shareholders so as to ensure the Group's long-term success by developing appropriate strategies, business model, risk appetite, compensation framework, and succession planning. The Board also sets the tone for the entire organisation with regard to its values and standards, including establishing ethical standards and policies within the Group. Board members are expected to act in good faith and exercise independent judgement in the best interests of the Group. It believes that when making decisions, all Directors of the Board should discharge their duties and responsibilities at all times as fiduciaries, and act objectively in the interests of the Group, while holding Management accountable for its performance.

The principal functions of the Board, in addition to carrying out its statutory responsibilities, inter alia, are as follows:

- Providing entrepreneurial leadership, strategic objectives and ensure that the necessary financial and human resources are in place for the Company to meet its strategic objectives
- Establishing and maintaining a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and Group's assets
- Overseeing and reviewing the management of the Group's business affairs, including financial controls, financial performance reviews, key operational initiatives, resource allocation, compliance and corporate governance practices
- Constructively challenging Management and reviewing its performance and remuneration packages
- Identifying key stakeholder groups and recognising that their perceptions will affect the Company's reputation
- Setting up the Group's values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met

- Considering sustainability issues including environmental, social and governance (“ESG”) factors as part of its strategic formulation of the Group
- Approving material funding proposals, investments, acquisitions and divestment proposals
- Approving the release of the Group’s half yearly and full-year results and related party transactions of a material nature
- Establishing a framework of good corporate governance, values and ethics to safeguard shareholders’ interest and the assets of the Group

Please refer to the Sustainability Report 2025 (pages 38 to 81) for details on the Group’s continued progress in upholding its sustainability commitments and addressing ESG considerations across its business operations.

Independent Judgement

The Board and Management believe that a robust and effective Board must engage Management in open and constructive discussions and that challenging Management’s assumptions and proposals are not detrimental to good corporate governance.

Each Director is to exercise his due diligence and independent judgement to act in good faith and in the best interest of the Company and works with Management to take objective decisions in the interest of the Group, so as to enhance long-term shareholder value.

Conflict of Interest

Any Director facing a conflict of interest will recuse himself from discussions and decisions involving the conflicting issue.

All Directors shall update the Board on a timely basis, through the Company Secretary, of their interests in new companies that were not previously disclosed to the Board. Additionally, at the start of each financial year, all Directors are to submit a letter to the Company Secretary of all their interests in other companies, which are to be read and acknowledged by the Board. This is to better monitor any related or interested persons’ transactions.

In view of the need to ensure that corporate governance systems function effectively, the Company proactively and promptly discloses information in a manner that promotes transparency.

PROVISION 1.2

Board Orientation and Training

Director Orientation

A letter is sent to all new Directors upon their appointment, explaining, among other matters, their roles, obligations, duties and responsibilities as members of the Board. All new Directors go through an orientation programme

where they are briefed by Senior Management concerning the Group’s businesses and operations, its financial, accounting and risk management issues, code of corporate governance, policies on disclosure of interests in securities, the rules relating to disclosure of any conflict of interest in a transaction, its principal officers and independent auditors.

Training

Training of Directors is a vital component of good corporate governance, essential to keeping updated with regulatory changes.

The Directors’ own initiatives are supplemented from time-to-time with information, updates, sponsored seminars conducted by external professionals and relevant courses conducted by the Singapore Institute of Directors, including any changes in legislation and financial reporting standards, government policies, regulations and guidelines from SGX-ST and Accounting and Corporate Regulatory Authority (“ACRA”) that affect the Company and/or Directors in discharging their duties.

Directors can request for further explanations and conduct informal discussions on any aspect of the Group’s operations or business issues with Management. During the year, the Company Secretary provided updates on regulatory changes and apprised of amendments to the Listing Manual and relevant media releases by the SGX-ST and ACRA.

In FY2025, the Company’s external auditors provided updates to the Audit & Risk Committee (ARC) on new and revised financial reporting standards that were applicable to the Company and Group. The Directors were also briefed by Yang Lee & Associates on sustainability-related developments including ESG and the International Sustainability Standards Board (“ISSB”). The session provided an overview of Hotel Royal’s sustainability reporting journey from FY2023 to FY2025, updates on upcoming climate-related disclosure requirements and the implementation roadmap, as well as key sustainability challenges and considerations relevant to the hospitality industry, therefore enhancing the Board’s understanding of sustainability risks, opportunities, and regulatory expectations.

The Company has set aside funding for the training of its Directors. Directors are encouraged to constantly keep abreast of developments in regulatory, legal, and accounting frameworks that are of relevance to the Group, through the extensive opportunities for participation in training courses, seminars and workshops, as relevant and/or applicable. Directors are at liberty to request for any further explanations, briefings or information on other aspects of the Company and/or the Group’s operations or business issues from Management when required. The Board is regularly updated on risk management, corporate governance, and other major changes in the regulatory requirements and financial reporting standards that are relevant to the Group.

CORPORATE GOVERNANCE REPORT

Relevant new releases issued by the SGX-ST and ACRA as well as news articles that are relevant to the Group's business are regularly circulated to the Board. The Directors are also kept updated on the outlook and trends in the hospitality markets during quarterly Board Meetings.

A Director who has no prior experience as a director of an SGX-listed company is required to undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST. All our Directors have completed the requisite training by the Singapore Institute of Directors ("SID").

PROVISION 1.3

Board Approval

Internal Limits of Authority

The Group has internal guidelines governing matters that require the Board's approval. These include: -

- The Group's strategic objectives
- Annual operating and capital expenditure budgets and any material changes to them
- Review of the Group's performance, strategic objectives and business plans
- Changes relating to the Group's capital structure including reduction of capital and share issue
- The Group's results announcements, annual reports and financial statements, including the corporate governance report
- Dividend policy and recommendation/declaration of dividends
- Significant changes in accounting policies or practices
- Maintenance of sound risk management and internal control systems
- Major capital projects
- Contracts regarding acquisitions or disposals of major fixed assets (including intangible assets such as intellectual property) and substantial bank borrowings
- Major investments and expenditure
- Resolutions and corresponding documentation to be put forward to shareholders at a general meeting including approval of all circulars and prospectuses
- Press releases concerning matters decided by the Board
- Changes to the structure, size and composition of the Board, including following recommendations from the Nominating Committee (NC) concerning appointment/cessation of Directors and members of Board Committees
- Determine the remuneration policy for Directors and other senior executives including the introduction of new share incentive plans or major changes to existing plans, to be put forward to shareholders for approval
- Establish board committees and approving their terms of reference and material changes

- Policies concerning code of conduct, share dealing code, whistle blowing policy, environment and sustainability policy and corporate social responsibility policy
- Any decisions likely to have a material impact on the Company or Group from any perspective, including, but not limited to, financial, operational, strategic or reputational
- Appointment and removal of Company Secretary

The Group has established financial authorisation limits for matters such as capital budgets, credit limits and the acquisition and disposal of investments. The Board approves transactions exceeding certain threshold limits, while delegating the authority for transactions below those limits to Management in order to optimize operational efficiency.

The matters which are decided and approved by the Board are clearly documented in the minutes of the meetings and board resolutions and kept with the Company.

PROVISION 1.4

Delegation by the Board

Board Committee

To assist in the execution of its responsibilities, the Board has established a number of committees, including an Audit and Risk Committee ("ARC"), a Nominating Committee ("NC") and a Remuneration Committee ("RC"). These committees are chaired by Independent Directors and function within clearly defined terms of reference and operating procedures. The terms of reference for each Board Committee set out the responsibilities of the Board Committee, conduct of meetings, including quorum, voting requirements and qualifications for Board Committee membership. The terms of reference are reviewed on a regular basis to ensure their continued relevance and efficacy. Any change to the terms of reference for any Board Committees requires Board approval.

These committees review matters on behalf of the Board and are subjected to the terms of the relevant committee's terms of reference:

- Refer matters to the Board for decision, with a recommendation from the committee (where the committee acts in an advisory capacity); or
- Determine matters (where the committee acts with delegated authority), which it then reports to the Board.

The minutes of Board Committee meetings, which records the key deliberations and decisions taken during these meetings, are circulated to all Board members for their information.

While the Board Committees have been delegated power to make decisions within the authority delegated to the respective committees, the ultimate responsibility for the decisions and actions rests with the Board as a whole.

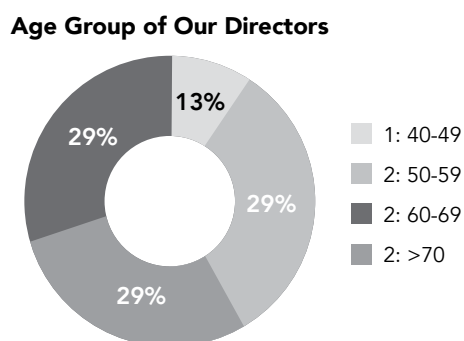
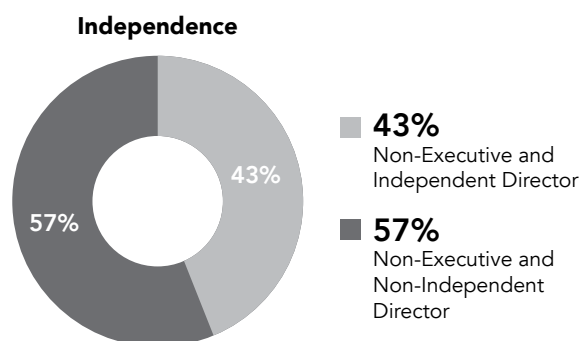
COMPOSITION OF BOARD AND BOARD COMMITTEES

Director	Board Membership	Committee Membership		
		Audit and Risk	Nominating	Remuneration
Yang Wen-Wei ⁽¹⁾	Independent Non-Executive Director and Non-Executive Chairman	Member	Chairperson	Chairperson
Leow Chung Chong Yam Soon, Paul	Independent Non-Executive Director	Chairperson	Member	Member
Lim Siew Li ⁽²⁾	Independent Non-Executive Director	Member	-	-
Lee Khin Tien	Non-Executive Non-Independent Director	Member	Member	Member
Lee Kin Hong	Non-Executive Non-Independent Director	-	-	-
Dr. Lee Chu Muk	Non-Executive Non-Independent Director	-	-	-
Lee Chou Hor George	Non-Executive Non-Independent Director	-	-	-

Notes:

⁽¹⁾ Mr. Yang Wen-Wei served as Chairperson of the Remuneration Committee until 1 January 2026 and continues to serve as a member of the Remuneration Committee with effect from that date.

⁽²⁾ Ms. Lim Siew Li was appointed as Chairperson of the Remuneration Committee in place of Mr. Yang Wen-Wei and appointed as a member of the Nominating Committee with effect from 1 January 2026.



PROVISION 1.5

PROVISION 1.6

Board Meetings and Attendance

The attendance of the directors at scheduled Board and Board Committee Meeting during FY2025 is as follows:

Director	Board Meeting	Board Committee Meetings			Non-Executive Directors' Meeting (without presence of Management)	AGM ⁽¹⁾
		Audit & Risk	Nominating	Remuneration		
No. of Meetings Held in FY2025	4	4	2	1	1	1
Yang Wen-Wei	4/4	4/4	1/1	1/1	1/1	1/1
Leow Chung Chong Yam Soon, Paul	4/4	4/4	1/1	1/1	1/1	1/1
Lim Siew Li	4/4	4/4	-	-	1/1	1/1
Lee Khin Tien	4/4	4/4	1/1	1/1	1/1	1/1
Lee Kin Hong	4/4	-	-	-	1/1	1/1
Dr. Lee Chu Muk	4/4	-	-	-	1/1	1/1
Lee Chou Hor George	4/4	-	-	-	1/1	1/1

⁽¹⁾ All directors attended the 56th AGM held on 25 April 2025.

CORPORATE GOVERNANCE REPORT

Board Meetings

Each Director exercises equal responsibility in overseeing the business and affairs of the Company and objectively takes decisions in the interest of the Company.

The schedule of all Board, Board Committee meetings and annual general meeting is disseminated to all Directors well in advance at the beginning of each financial year, in consultation with the Directors. The Board met on a quarterly basis in FY2025 to review inter alia the financial results and updates on the Company's and Group's developments.

Management supplies the Board with adequate information in a timely manner, so as to ensure that the Board has adequate time to review the materials, and to facilitate constructive and effective discussions during meetings.

The Company's Constitution also provides for the Board to conduct its meeting via teleconferencing or videoconferencing on a timely basis when physical meeting is not possible. The Board and its sub-committees may also make decision through circular resolutions in writing, including by electronic means.

In each meeting where matters requiring the Board's approval are to be considered, all members of the Board participate in the discussions and deliberations; and resolutions in writing are circulated to all Directors for their consideration and approval. The Management's proposals submitted to the Board for approval are accompanied with detailed background and explanatory information such as facts, resources, requirements, financial impact, risk analysis, disclosure requirements under the Listing Rules of SGX-ST, and recommendations. When a Director has a conflict of interest in a particular matter, he will be required to recuse himself from the deliberations and abstain from voting on the matter. This principle of collective decisions adopted by the Board ensures that no individual influences or dominates the decision-making process.

If a Director is unable to attend a Board or Board Committee meeting, the Director will receive all the meeting papers so that he can review them and let the Chairman of the Board or Committee Chairman have his views, which will be conveyed to other members at the meeting.

Multiple Board Representations

Limit on Other Directorships in Listed Entities

The Board is of the view that a Director should not hold more than four directorships in listed entities for a director with full-time employment and not more than six directorships in listed entities for a Director with no full-time employment. All Directors are required to declare their board representations at the first Board meeting of each financial year and to inform the Board as and when there are new board representations. Apart from Mr. Leow Chung Chong Yam Soon, Paul and Ms. Lim Siew Li, the other Directors do not hold directorships in other listed companies during the preceding five years.

Access to Information

The Company recognises the importance of continual dissemination of relevant information, which is explicit, accurate, timely and vital to the Board in exercising its duties. As such, the Board is provided with the report on the Company's progress and drawbacks in meeting its strategic business objectives or financial targets and other information relevant to the strategic issues encountered by the Company prior to the Board meetings so that the Directors would have sufficient time to understand the matters which are to be discussed.

Directors are entitled to request from Management additional information to help them make informed decisions. Management shall provide the same to the Directors in a timely manner.

Management keeps the Board informed of the Group's operations and performance through regular updates and reports as well as through informal discussion. Prior to any meetings of the Board or Board Committees, Directors are provided, where appropriate, with management information to enable them to participate at the meetings. The Chief Executive Officer ("**CEO**") of the Company is present at Board and Board Committee's meetings to address any queries which the Board may have. The CEO also provides update on business and strategic developments pertaining to the Group's business to the Directors at each Board meeting during FY2025.

PROVISION 1.7

Access to Management and Company Secretary

All Directors have separate and independent access to the Management in order to better understand the challenges faced by the Group as and when further inquiry or additional information is required. Management endeavours to meet their requirements in a timely manner so as to enable them to make informed decisions. The input of the Director, through such engagements, provides valuable perspective to Management. Directors also have ongoing interactions across various levels and functions within the Company.

The Directors also have separate and independent access to the Company Secretary. Trained in corporate secretarial practices, the Company Secretary plays a significant role in supporting the Board in discharging its duties. The Company Secretary is responsible for ensuring that Board procedures are adhered to and that applicable rules and regulations are complied with. The Company Secretary administers and attends all Board and Board Committees meetings of the Company and prepares minutes of meetings and is responsible for advising the Board on all governance matters as well as facilitating orientation and assisting with professional developments as directed by the Chairman.

The Management, together with the Company Secretary, ensures that the Company complies with the applicable statutory and regulatory rules. The Directors can contact the Management and the Company Secretary via videoconferencing, emails, text messages, telephone or meet up in a physical meeting.

The appointment and the removal of the Company Secretary is subject to the approval of the Board as a whole.

Independent Professional Advice

Professional advice can be sought by the Board when necessary to enable the Board or its Independent Directors to carry out their roles effectively. Individual Directors may also obtain professional advice to assist them in the execution of their tasks, subject to the approval from the Chairman, at the Company's expense.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

PROVISION 2.1

Board Independence

The Board, taking into account the NC's view, assesses the independence of each Director (with special attention given to Directors who has served for more than 9 years) in accordance with the Code on an annual basis.

An Independent Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders* or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. In line with the guidance of the Code, the Board also takes into account the existence of such relationships or circumstances, if any, including the employment of a director, or an immediate family member, by the Company or any of its related companies during the financial year in review or any of the previous three financial years; the acceptance by a director, or an immediate family member, of any significant compensation from service to the Board; and a director being related to any organisation from which the Company or any of its subsidiaries received significant payment or material services during the financial year in review or the previous financial year.

* A substantial shareholder is a shareholder who has an interest or interests in one or more voting shares (excluding treasury shares) in the Company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all voting shares (excluding treasury shares) in the Company.

In assessing the independence of the Directors, the Board through the NC has examined the different relationship identified by the Code and the Guide that might impair the Directors' independence, and is satisfied that Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon, Paul and Ms. Lim Siew Li are independent and able to act with independent judgement.

There is presently a strong independent element on the Board, and the independence of each Director is assessed and reviewed by the NC annually. Consistent with previous practice, the NC had undertaken a rigorous review of the independence of each Independent Director. Led by the NC Chairperson and facilitated by the Company's external corporate secretarial service provider, the assessment was conducted by means of a confidential and incisive questionnaire completed by each Director and a declaration of independence completed by each Independent Director. The results were analyzed and discussed at the NC and Board meetings. Each member of the NC had abstained from deliberations in respect of the assessment on his own independence.

Each Independent Director also confirmed that they are independent and have no relationship identified in the Code and listing rules of the SGX-ST. Through the NC, the Board considers its Independent Directors, Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon, Paul and Ms. Lim Siew Li to be independent including independence from the 5% shareholders of the Company.

The Code states that the independence of any Director who has served on the Board beyond 9 years from the date of his first appointment should be subject to particularly rigorous review. As of 31 December 2025, there was no director who has served more than 9 years on the Board.

During FY2025, the Company complied with the relevant provisions of the Code and Listing Rules as there was a strong and independent element on the Board with an independent Chairman, more than one-third of the Board being Independent Directors and all the Directors are Non-Executive Directors. The Non-Executive Directors contribute to the Board process by monitoring and reviewing Management's performance against goals and objectives. Their views and opinions provide alternative perspectives to the Group's business.

The Board encourages open, candid and robust discussions and no individual or small group of individuals dominate the Board's decision making. All Independent Directors have unrestricted and direct access to Management so that they can seek clarifications before or after Board meetings.

CORPORATE GOVERNANCE REPORT

PROVISION 2.2

PROVISION 2.3

Proportion of Non-Executive Independent Directors

The Chairman, an Independent Non-Executive Director, and the Non-Executive Independent Directors form more than 40% of the Board composition.

All the Directors are Non-Executive.

The profiles of the Directors are set up on pages 12 to 13 of this Annual Report.

The Company has complied with the required provisions.

PROVISION 2.4

Board Composition

Board Size

The Board believes that it should generally have at least 6 members and not more than 9 Directors. This range permits a good mix of expertise and experience without hindering effective deliberations.

The size and composition of the Board and Board Committees are reviewed annually by the NC to ensure that they are appropriate for effective decision making. The review ensures that there is an appropriate mix of expertise and experience, which the Group may tap on for assistance in furthering its business objectives and shaping its business strategies. The Board, with the concurrence of the NC, is of the opinion that its current board size and composition is appropriate to facilitate effective decision making, taking into account the nature and scope of the Group's operations and the wide spectrum of skills and knowledge of the Directors.

Board Diversity

The Board and its Committees comprise of Directors with diverse backgrounds and experience as the Group strives to foster an open, inclusive and collaborative culture with the organisation. It adopts a Board Diversity Policy which focuses on the importance of having an optimal balance of skills, experience, gender, ethnicity, age, industry knowledge, professional qualifications and geographical background which are essential to effective leadership at the Group's highest level. Such diversity allows the Board to better identify potential risks, encourage constructive discussions, raise challenging questions and find solutions to problems more effectively. The diversity of the Directors' experiences also allows for more useful exchange of ideas and views.

Administered by the Nominating Committee (NC), the Board Diversity Policy is evaluated annually based on the Board's composition, rotation and retirement of Directors and succession planning. The NC also considers other aspects such as diversity, professional qualifications, industry and geographical knowledge, experience, skills, length of service and the needs of the Company.

The Board acknowledges that gender diversity is one of the key recommendations under the Code and is committed to enhancing diversity within its leadership. In line with this commitment, the Board Diversity Policy has been updated to include measurable targets aimed at achieving greater diversity. The current Board composition continues to reflect the Company's commitment to Board diversity, especially in terms of female representation (1 out of 7) and domain and industry expertise.

The Board has taken the following steps to maintain or enhance its balance and diversity:

- Assessing the existing attributes and core competencies of the Board to see if they are complementary in enhancing the efficacy of the Board
- Consider the scope and nature of the Company's operations and sustainability of the Group's businesses when establishing the measurable objectives for achieving improvement in the diversity mix of the Board
- Evaluating the skill sets of the Directors to understand the range of expertise that is lacking on the Board

Competency Area	Current Coverage	Target Coverage 2026	Gap Identified
Hospitality & Real Estate Asset Strategy	Strong	Strong	–
Digital Transformation & Data Governance	Moderate	Strong	Cyber resilience and data governance related course scheduled for 2026
ESG & Sustainability Reporting	Emerging	Strong	Board training conducted in Q4 2025

The profile of the Directors and other relevant information are set out under the "Board of Directors" section on pages 12 and 13 of this Annual Report.

The shareholdings of the individual Directors of the Company are set on pages 126, 187 and 188 of this Annual Report. None of the Directors hold shares in the Company's subsidiaries.

PROVISION 2.5**Meeting of Independent Directors without Management****Independent Directors' Meetings**

The Independent Directors communicate regularly to discuss matters such as the Group's financial performance, corporate governance initiatives, the performance of the Management, and the remuneration of the senior Management.

In FY2025, the Independent Directors, led by the Independent Chairman, met at least once without the presence of the Management to discuss about the performance of Management. They provided feedback to the Board after such meeting, as appropriate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

PROVISION 3.1

Separation of the Role of Chairman and the Chief Executive Officer ("CEO")

Relationship Between Chairman and CEO

Mr. Yang Wen-Wei is the Independent Non-Executive Chairman. The Chairman and the CEO are two separate persons who are not related.

PROVISION 3.2**Role of Executive Chairman and CEO****Chairman's Role**

The Chairman's roles in relation to Board matters are as follows:

- Provides leadership to the Board to ensure its effectiveness
- Sets the agenda and ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues
- Promotes a culture of openness and discussion within the Board
- Encourages constructive relations between the Board and Management
- Exercises control over quality, quantity and timeliness of the flow of information between Management and the Board

- Ensures effective communication with stakeholders
- Facilitates the effective contributions of all Directors
- Promotes high standards of corporate governance with full support of the Board, the Management and the Company Secretary

There is a clear division between the leadership of the Board and the CEO. The CEO's functions include the overall management, implementing the strategic direction of the Board and the overall management and the realisation of organisational objectives of the Group. No one individual represents a considerable concentration of power.

PROVISION 3.3**Appointment of Lead Independent Director****Role of the Lead Independent Director**

The Code provides for a Lead Independent Director to be appointed by the Board in situations where the Chairman is conflicted and when the Chairman is not independent.

For FY2025, the NC and the Board, having taken into consideration the Company's current business operations and current Board size were of the view that the appointment of Lead Independent Director was not necessary.

Although no Lead Independent Director has been appointed, the Company's Independent Directors set aside time to meet (with the presence of other Directors) at least once a year. They provide their feedback to the Chairman of the Board. The Independent Directors have unrestricted access to the CEO, other senior management members, as well as other Non-Executive Directors.

The absence of a Lead Independent Director has not impacted, and is unlikely to impact, the efficient communication between the Board and the shareholders or other stakeholders of the Company.

Directors and Management are accessible to the Company's shareholders, and the Company has always responded to queries raised by its shareholders.

The current Board Chairman, Mr. Yang Wen-Wei, is an Independent Director. As such, the Board is of the opinion that the appointment of a Lead Independent Director is not necessary. Nevertheless, the Board will, on an annual basis, examine the need for such an appointment.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

PROVISION 4.1**PROVISION 4.2**

CORPORATE GOVERNANCE REPORT

NC Composition and Role

The Nominating Committee

The NC is established for the purpose of ensuring there is a formal and transparent process for all Board appointments, taking into account the need for progressive renewal of the Board.

NC Composition: The NC consists of three Directors; namely, Mr. Yang Wen-Wei (Chairman), Mr. Leow Chung Chong Yam Soon, Paul and Mr. Lee Khin Tien. 66% of the members of the NC, including its Chairperson, are independent.

The key terms of reference of the NC are to:

- Evaluate and review nominations for appointment and re-appointment to the Board and the various committees
- Nominate Directors for re-election at the AGM, having regard to the Director's contribution and performance
- Determine the independence of Directors annually, and whenever appropriate
- Recommend to the Board the process for the evaluation of the performance of the Board, the Board Committees and individual Directors, and propose objective performance criteria to assess the effectiveness of the Board as a whole and the contribution of each Director
- Decide whether a Director who has multiple board representations is able to and has been adequately carrying out his duties as Director of the Company
- Review and make recommendations to the Board on the succession plans for Directors, in particular, the appointment and/or replacement of the Chairman, the CEO and key management personnel (KMP)
- Review training and professional development programs for the Board and its Directors
- Perform such other functions as may be assigned by the Board

The NC and the Board will, at least once every year, review the terms of reference of the NC.

PROVISION 4.3

Board Renewal & Succession Planning

Succession Planning:

Succession planning is a critical part of the corporate governance process, and the NC seeks to refresh the Board membership in an orderly and progressive manner, to avoid losing institutional memory.

The NC is responsible for identifying and recommending new members to the Board for approval, after considering the necessary and desirable competencies such as their integrity, skills, experience, financial literacy and diversity of expertise. Accordingly, in selecting potential new Directors, the NC will seek to identify the competencies required to

enable the Board to fulfil its responsibilities. The NC may engage consultants to undertake research on, or assess, candidates for new positions on the Board, or to engage such other independent experts as it considers necessary to carry out its duties and responsibilities.

The NC also reviews the succession planning for senior management, especially the CEO. As part of this review, the successors to key positions are identified, and development plans are instituted for them.

The NC conducts a regular review of the succession plan for Board members, the CEO and senior management of the Company.

Process for Selection and Appointment of New Directors

The Board considers the benefits of skills diversity, experience, background, gender, age, ethnicity and other relevant factors that new Directors bring to the Board. When a vacancy arises, the NC or the Board would determine the selection criteria and source for candidates. The NC would make reference checks, meet up with the candidates, assess their suitability, and make recommendations to the Board. Shortlisted candidates would meet up with the other Board members before the Board approves the appointment.

Process for Re-appointment of Directors

Re-nomination of Retiring Directors: The NC reviews and recommends to the Board the re-nomination of retiring Directors standing for re-election and appointment of new Directors. The review ensures that the director to be re-nominated or appointed is able to contribute to the ongoing effectiveness of the Board, has the ability to exercise sound business judgement, and has demonstrated leadership experience, high levels of professional skills and appropriate personal qualities.

All directors will submit themselves for re-election at regular intervals at least once every three years. Pursuant to Article 117 of the Company's Constitution, at least one-third of the directors shall retire from office at the Company's Annual General Meeting. In addition, Article 122 of the Company's Constitution provides that a newly appointed director must submit himself for re-election at the Annual General Meeting following the appointment.

The NC has recommended to the Board that Mr. Lee Kin Hong, Mr. Lee Chor Hor George and Mr. Leow Chung Chong Yam Soon, Paul (retiring pursuant to Article 117), be subject to retirement by rotation pursuant to the Company's Constitution. Being eligible, Mr. Lee Kin Hong, Mr. Lee Chor Hor George and Mr. Leow Chung Chong Yam Soon, Paul have consented to continue in office and have offered themselves for re-election at the forthcoming AGM of the Company. Accordingly, the NC has recommended the aforesaid re-election of the Directors and the Board has accepted the NC's recommendation. In recommending the re-election of Mr. Lee Kin Hong, Mr. Lee Chor Hor George and Mr. Leow Chung Chong Yam Soon, Paul, the NC has considered the Directors' overall contribution, attendance and participation

at the Board and the Board Committee meetings. In addition, there is no relationships, including immediate family relationships, between Mr. Leow Chung Chong Yam Soon, Paul and the other Directors, the Company, its related corporations, its substantial shareholders or officers which may affect his independence. The Board considers Mr. Leow Chung Chong Yam Soon, Paul to be independent for the purpose of Rule 704(8) of the Listing Rules.

Each member of the NC had abstained from voting on any resolution and making any recommendation and/or participated in respect of his own re-election, if any, as Director of the Company.

Please refer to details from pages 193 to 198 of this Annual Report.

Alternate Directors

Alternate Directors: The Board does not provide for the appointment of alternate directors. The Company currently does not have any alternate Director on the Board.

PROVISION 4.4

Continuous Review of Directors' Independence

Annual Review of Directors' Independence: In recommending the above Directors for re-election, the NC has considered the results of the Board's assessment (please refer to paragraphs under Board Performance regarding assessment of Board performance) in respect of his competencies in fulfilling his responsibilities as Director of the Board. The NC has also reviewed the independence of Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon, Paul and Ms. Lim Siew Li. In assessing their independence, the NC, having considered the guidelines set out in the Code and the Guide, is of the view that Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon, Paul and Ms. Lim Siew

Li are independent. There are no relationships identified in the Code and the Guide which would deem them not to be independent. Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon, Paul and Ms. Lim Siew Li have also declared that they are independent.

The Board recognises the Independent Directors' contribution and that they have over time developed an in-depth understanding of the Group's business and operations. The Independent Directors provide invaluable contributions to the Group.

PROVISION 4.5

Directors' Time Commitments

To address competing time commitments when Directors serve on multiple boards, the Board had set a maximum limit of four directorships that directors may hold concurrently in listed companies for a director with full-time employment, and a maximum limit of six directorships in listed companies for a director with no full-time employment. During FY2025, none of the Directors held board seats in other listed companies, except for Ms. Lim Siew Li, who serves as an independent director of 2 other public listed companies.

All Directors are required to declare their board representations. When a Director has multiple board representations and heavy principal commitments, the NC will consider whether the Director is able to adequately carry out his duties as a Director of the Company.

The NC has reviewed each Director's external directorships, their principal commitments, as well as each Director's attendance and contributions to the Board. Though some Directors hold multiple directorships in non-Group entities, the NC is satisfied that these Directors spent adequate time and attention to the Company's affairs and have discharged their responsibilities.

Initial appointment and last Re-Election of Directors

Details of the year of initial appointment and last re-election of the Directors together with their directorships in other listed companies are appended below:

Director	Position	Date of Initial Appointment	Date of Last Re-election / Re-appointment	Other principal commitments	Present directorships in other public listed companies	Past 5 years directorships in other public listed companies
Yang Wen-Wei	Independent Non-Executive Chairman	28 April 2018	25 April 2025	Executive Operating Officer of Merdeka Construction Company Pte. Ltd.	None	None
Leow Chung Chong Yam Soon, Paul	Independent Non-Executive Director	1 May 2023	26 April 2024	Audit partner of Ecovis Assurance LLP	None	1. Fragrance Group Limited 2. Asian Healthcare Specialists Limited
Lim Siew Li	Independent Non-Executive Director	1 September 2024	25 April 2025	Director of Chien Chi Tow Healthcare Pte. Ltd.	1. RH Petrogas Limited 2. Khong Guan Limited	None

CORPORATE GOVERNANCE REPORT

Director	Position	Date of Initial Appointment	Date of Last Re-election / Re-appointment	Other principal commitments	Present directorships in other public listed companies	Past 5 years directorships in other public listed companies
Lee Khin Tien	Non-Executive Director	31 December 1996	25 April 2025	Director of Aik Siew Tong Limited, Melodies Limited and The Singapore-Johore Express (Private) Limited	None	None
Lee Kin Hong	Non-Executive Director	21 June 2002	26 April 2024	Director of The Singapore-Johore Express (Private) Limited, Aik Siew Tong Limited and Melodies Limited	None	None
Dr. Lee Chu Muk	Non-Executive Director	27 April 2019	25 April 2025	General Practitioner of Singapura Clinic	None	None
Lee Chou Hor George	Non-Executive Director	29 June 2020	26 April 2024	Director of Hock Tart Pte Ltd, Aik Siew Tong Limited, Melodies Limited and The Singapore-Johore Express (Private) Limited	None	None

Number of Meetings: The NC held two meetings during FY2025. The NC has ad-hoc meetings on matters requiring urgent attention, which would then be formally confirmed and approved by circulating resolutions in writing.

Each member of the NC abstains from voting on any resolutions and making any recommendation and/or participating in discussion on matters in which he is interested.

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

PROVISION 5.1

PROVISION 5.2

Board Evaluation Process

We believe that the Board's performance is ultimately reflected in the long-term success of the Group. The Board ensures compliance with applicable laws and its members act in good faith, with due diligence and care in the best interests of the Company and its shareholders. In addition to these fiduciary duties, the Board is charged with two key responsibilities - setting strategic directions and ensuring that the Company is ably led. The measure of a Board's performance is also tested through its ability to lend support to Management especially in times of crisis, such as during the COVID-19 pandemic, and to steer the Group in the right direction.

The Board, through the delegation of its authority to the NC, has used its best efforts to ensure that Directors appointed to our Board possess the relevant background, experience and knowledge in technology, business, finance and management skills critical to the Company's business. In addition, each Director brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

The Board has implemented a process for assessing the effectiveness of the Board as a whole and its Board Committees, and for assessing the contribution by directors to the effectiveness of the Board and the Chairman's leadership.

The Board did not engage any independent external consultant to facilitate the annual review of the performance of the Board, the Board Committees and the individual Directors for FY2025. However, the NC and the Board are open to the idea should such a need arises to enhance or enliven the Board's performance evaluation process.

Board and Board Committees Evaluation Criteria

During the financial year, all Directors were requested to complete a board evaluation questionnaire to assess the overall effectiveness of the Board and Board Committees. Factors evaluated included, among other matters, board structure, size, composition, meetings and accountability, access to information, risk management and internal control, management performance, succession planning, ESG matters, human capital management, remuneration and communication with shareholders. The results of the questionnaire were first reviewed by the NC, tabled as an agenda for Board's discussion to determine areas for improvement and enhancement.

The evaluation criteria for Board Committee takes into account factors and criteria deliberated and discussed at NC in FY2025 which included, among others, the composition of the Board Committee, information management, committee procedures as well as criteria that were specific to each Board Committee. The NC made its recommendations to and shared its conclusions with the Board.

For FY2025, the Board evaluation process was conducted internally. All Directors completed the Board evaluation questionnaire. The results of the performance evaluation exercise were used as a reference by the Chairman to review, where appropriate, the composition of the Board and its Board Committees, and in consultation with the NC, to support its proposals for Board renewal, so as to improve the effectiveness of the Board's oversight on the Company. Comments received from the NC were compiled and presented to the Board in due course.

Individual Director Evaluation

The performance of individual Directors is evaluated annually and informally on a continual basis by the NC and the Chairman. Factors taken into account include attendance at Board and Board Committees' meetings, industry and business knowledge, acumen in the development of the Group's strategy, participation at meetings, ability to make informed business decision, constructive challenge to Management as well as other factors as provided under the Code's guidelines. The Board will then act on the results where appropriate.

The Board was satisfied with results of the annual evaluation of the performance of the Board, its Board Committees and individual Directors' assessment for FY2025.

Renewal & Replacement of Board Members

Renewal or replacement of Board members, when it occurs, does not necessarily reflect their contributions to date, but may be driven by the need to position and shape the Board in line with the medium-term needs of the Company and its business.

After the NC's review of the contribution by each individual Director to the effectiveness of the Board as a whole and its Board Committees for FY2025, the Board is satisfied that sufficient time and attention have been given by the Directors to the affairs of the Company and the Group.

II. REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

PROVISION 6.1

PROVISION 6.2

RC Composition and Role

The RC makes recommendations to the Board on the framework of remuneration and the specific remuneration packages for each Directors.

RC Composition

The RC comprises three directors: namely Mr. Yang Wen-Wei (Chairman), Mr. Leow Chung Chong Yam Soon, Paul and Mr. Lee Khin Tien. Where necessary, the Committee can engage professional help from external consultants in areas of executive compensation.

66% of the members of the Remuneration, including its Chairman, are independent, and all its members are non-executive Directors.

The key terms of reference of the RC are to:

- Recommend to the Board a framework of remuneration for Board members as well as key management personnel
- Determine specific remuneration packages for each Non-Executive Director and the CEO
- Review the terms, conditions and remuneration of the Company's key management personnel
- Review the Company's obligations in the event of termination of the director's and key management personnel's contracts of service, and to ensure that such clauses are fair and reasonable and not overly generous
- Perform other related functions as the Board may determine

Number of Meetings

The RC held one meeting during FY2025.

PROVISION 6.3

PROVISION 6.4

Remuneration Framework

The RC's objective is to motivate and retain proficient executives while ensuring that the Company is able to attract competent staff who can contribute to the long-term success of the Company, taking into account the risk policies of the Company.

The RC recommends for the Board's endorsement, a framework of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, benefits-in kind and specific remuneration packages for each director. In addition, the RC reviews the performance of the Group's key management personnel taking into consideration the CEO's assessment of and recommendation for remuneration and bonuses.

CORPORATE GOVERNANCE REPORT

No member of the RC is involved in deliberating in respect of any remuneration, compensation or any form of benefits to be granted to him. Each member of the RC will also abstain from voting on any resolutions and making any recommendations in respect of his own remuneration.

The RC has access to appropriate expert advice inside and/or outside the Company on human resources and remuneration matters of Directors and key management personnel wherever there is a need to consult externally. In FY2025, the RC has not consulted any external remuneration consultant.

The RC reviews the Company's obligations arising in the event of termination of the executive directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses that are not overly generous with the aim of being fair. The RC is satisfied that the termination clauses therein are fair and reasonable.

LEVEL AND MIX OF REMUNERATION

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Remuneration of Non-Executive Directors and KMPs

Roles	Members	Chairman
Board of Directors	\$25,000 per annum	Additional \$25,000 per annum
Audit and Risk Committee	\$1,500 per meeting	Additional \$1,500 per meeting
Nominating Committee	\$1,500 per meeting	Additional \$1,500 per meeting
Remuneration Committee	\$1,500 per meeting	Additional \$1,500 per meeting

All the Directors are non-executive.

The fees paid to the Directors are based on a pro rata basis according to the service period during the year. The Chairman of the Board will receive an additional allowance that is equivalent to 100% (FY2025: 100%) of his Director's fee. The Chairman of each sub-committee will receive an additional allowance that is 100% of his Director's fee. The Directors' fees are recommended by the Board for approval at the Company's Annual General Meeting. Save for the Directors' fees, the Independent Directors do not receive any other form of remuneration from the Company. The Independent Directors do not have any service agreements with the Company.

The RC may, where appropriate, seek independent professional advice to ensure that the Company's remuneration framework remains fair, competitive, and

The RC reviews annually and makes recommendation on the remuneration of the Directors and key management personnel to ensure that the level and structure of remuneration is aligned with the long-term interest and risk policies of the Company and appropriate to attract, retain and motivate (a) the Directors to provide good stewardship of the Company and (b) key management personnel to successfully manage the Company.

The RC, with the concurrence of the Board, is of the view that the current remuneration of the Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Directors. Other than Directors' fees, which have to be approved by shareholders at every AGM, the Non-Executive Directors do not receive any other forms of remuneration from the Company.

PROVISION 7.1

PROVISION 7.2

PROVISION 7.3

aligned with the long-term interests of the Company and its stakeholders. In 2025, the Company conducted an internal benchmarking exercise comparing the remuneration of Directors and key management personnel against peers in the hospitality industry. The RC is of the view that the remuneration policy and amounts paid to Directors and key management personnel are adequate and in line with present market conditions. The Independent Directors are not compensated to the extent that their independence may be compromised.

The remuneration package of key management personnel consists of four parts:

1. Base or fixed remuneration

This element reflects the scope of the job and the level of skill and experience of the individuals.

2. Variable for performance related income/bonuses

This is paid depending on the contribution of the key management personnel of the Company and its subsidiaries. It usually takes the form of an end of the year ex-gratia payment to deserving employees who have gone the extra mile to grow the revenue, service level and financial performance of the Company and Group.

3. Benefits

These benefits are mainly meals in the hotel and car benefits.

4. Directors' Fee

Some of the key management personnel are Directors of subsidiaries and receive Directors' fees from the subsidiaries.

Incentive payment to the CEO and key management personnel takes the form of an ex-gratia payment at the end of the year and forms a small portion of their total remuneration. This will reward the CEO and key management personnel for both short-term profitability and also sustainable long-term growth of the Company and Group.

The Company has noted that the Code has recommended the incorporation of appropriate "claw-back mechanisms" to allow the Company to reclaim the variable incentive-based component of remuneration from Directors and key management personnel. At present, there is no provision allowing the Company to reclaim incentive components of remuneration from Directors and key management personnel in exceptional circumstances of misstatement of financial results for the following reasons:

(a) The Directors do not receive any variable incentive-based Directors' fee

(b) The form of an ex-gratia payment at the end of the year forms a small portion of key management personnel's total remuneration

The remuneration package, especially the year end ex-gratia bonus, will be dependent on the individual's performance, Group's profitability, customers' satisfaction and the growth of the net asset value of the Group. This will balance short-term profitability with long-term net asset growth. It also ensures that customers' satisfaction is not compromised when we strive to increase our profitability.

The Group does not have any long-term incentive plan or share option. The remuneration package and the year-end ex-gratia for CEO and key management personnel do not encourage excessive risk taking. The Group is also mindful that no one single investment item will compromise the long-term sustainability of the Group.

DISCLOSURE ON REMUNERATION

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

PROVISION 8.1**PROVISION 8.2****PROVISION 8.3**

The breakdown of remuneration of the Directors of the Company for FY2025 is as follows:

**Annual Remuneration Report Remuneration of Directors for FY2025
(in \$)**

Name of Director	Director's Fee		Total
	Company ^(a)	Subsidiaries	
Yang Wen-Wei	62,000	-	62,000
Leow Chung Chong Yam Soon	40,000	-	40,000
Lim Siew Li	31,000	-	31,000
Lee Khin Tien	34,000	23,750	57,750
Lee Kin Hong	25,000	18,200	43,200
Dr. Lee Chu Muk	25,000	-	25,000
Lee Chou Hor George	25,000	18,650	43,650
Total	242,000	60,600	302,600

^(a) Directors' fee is subject to shareholders' approval at the Annual General Meeting

CORPORATE GOVERNANCE REPORT

Remuneration of Chief Executive Officer for FY2025 (in \$)

Name of CEO	Fixed Remuneration	Variable Bonus	Benefits ⁽¹⁾	Subsidiaries' Director Fee	Central Provident Fund	Total Remuneration
Lee Chou Hock	324,535	26,259	14,555	23,750	7,651	396,750

⁽¹⁾ Benefits for Mr. Lee Chou Hock were for duty meal and car benefits.

Remuneration of Top 5 Management Personnel including KMP of the Group for FY2025 (in \$)

Name of Key Executive	Designation	Fixed Remuneration	Variable Bonus	Benefits ⁽¹⁾	Subsidiaries' Director Fee	Central Provident Fund	Total Remuneration
Lee Zongye Zach	Deputy Chief Executive Officer	207,570	36,941	11,116	7,100	17,340	280,067
Lee Si Min	Country General Manager (Singapore)	170,940	32,878	573	–	17,340	221,731
Wong Siew Choo ⁽²⁾	Revenue Controller	110,297	8,345	1,948	–	7,651	128,241
Teow Seok Boey	Chief Financial Officer	79%	13%	1%	0%	7%	\$250,000 – \$300,000
Yuan Kwee Hsiang Daphne ⁽³⁾	Chief Operating Officer	85%	7%	–	0%	8%	<\$250,000

The KMP of the Company are the CEO, Deputy CEO, CFO, COO & Country General Manager (Singapore).

⁽¹⁾ Benefits for Mr. Lee Zongye Zach were mainly for duty meal and car benefits. Benefit for Ms. Teow Seok Boey, Ms. Yuan Kwee Hsiang Daphne, Ms. Lee Si Min & Mrs. Wong Siew Choo was for duty meal.

⁽²⁾ Mrs. Wong Siew Choo has retired on 31 December 2025.

⁽³⁾ Ms. Yuan Kwee Hsiang Daphne joined the organisation on 8 April 2025.

Mr. Lee Chou Hock (CEO) is the nephew of the Non-Executive Directors, Mr. Lee Khin Tien and Mr. Lee Kin Hong, a brother of Non-Executive Director, Mr. Lee Chou Hor George and cousin of Non-Executive Director, Dr. Lee Chu Muk.

Mr. Lee Zongye is the son of Mr. Lee Chou Hock and grandnephew of Mr. Lee Khin Tien and Mr. Lee Kin Hong and nephew of Mr. Lee Chou Hor George and Dr. Lee Chu Muk.

Ms. Lee Si Min is the daughter of Mr. Lee Kin Hong, niece of Mr. Lee Khin Tien, cousin of Mr. Lee Chu Muk and Mr. Lee Chou Hock.

Mrs. Wong Siew Choo, the Group Revenue Controller, is the sister of Mr. Lee Khin Tien and Mr. Lee Kin Hong, aunt of Mr. Lee Chu Muk, Mr. Lee Chou Hor George and Mr. Lee Chou Hock.

Remuneration of Employee who is an Immediate Family Member of a Director, the CEO or a substantial shareholder

Other than the above-mentioned management personnel, there is no other employee who is an immediate family member of a Director, the CEO or a substantial shareholder.

Directors' Fees

The RC recommended to the Board an amount of \$242,000 as Directors' fees for the financial year ended 31 December 2025. The recommended directors' fees have been endorsed by the Board and will be tabled at the forthcoming AGM for shareholders' approval. No Director is involved in deciding his own remunerations.

III. ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

PROVISION 9.1

Nature and Extent of Risks

The Board as a whole is responsible for risk governance and sets the tone from the top to cultivate a strong risk culture. Its duties are to:

- (a) Ensure that Management maintains a sound system of risk management and internal controls to safeguard the Company's and Group's assets and shareholders' interest
- (b) Determine the nature and extent of significant risks and the level of risk tolerance and risk policies that the Board is willing to take to achieve its strategic intent
- (c) Provide oversight in the design, implementation and monitoring of the risk management framework and system of internal controls, including actions to mitigate the risks identified where possible
- (d) Review annually the adequacy and effectiveness of the risk management and internal control system
- (e) Promote risk awareness culture through the Company for effective risk management

A summary of the Group's Risk Management is included in Pages 118 to 124 in this Annual Report.

In expanding into new overseas markets, the Board places special emphasis in the identification of major risk factors. It also ensures that the short-term gestation period or non-performance of the new investments will not place the Company and the Group under un-manageable risk. Hence, every new overseas investment is thoroughly and robustly

discussed at the Board meeting, with special emphasis on the input by the Independent Directors.

The work of the internal auditors and the report of the external auditors enable the identification of key risks which are reported to the ARC to facilitate the Board's oversight on the effectiveness of risk management and the adequacy of mitigating measures taken by Management to address the underlying risks.

The ARC assists the Board in providing risk management oversight while the ownership of day-to-day management and monitoring of existing internal control systems rests on Management which comprises the CEO, the CFO and head of each business division.

The Board reviews the adequacy and effectiveness of the Company's risk management and internal control systems including financial, operational, compliance, and information technology controls based on reports prepared by the internal auditors and reviewed by the management at least once a year.

Based on the Company's internal controls, work performed by the internal and external auditors, and reviews performed by Management, various Board Committees and the Board, the Board with the concurrence of the ARC is of the opinion that the Company's internal controls, addressing financial, operational, compliance and information technology controls and risk management systems, were adequate and effective as of 31 December 2025.

In assessing the need to establish a separate risk committee to assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies, the Board after having discussed with the members of the ARC and the Board members, resolved that the function of the risk committee is best carried out by the ARC and in this connection in line with its enhanced role the Audit Committee has been renamed ARC in FY2013.

PROVISION 9.2

Assurance from the CEO and CFO

For FY2025, the Board and the ARC have received assurance from the CEO and CFO that:

- (a) They have evaluated the adequacy and effectiveness of the Company's risk management and internal control systems and have discussed with the Company's external and internal auditors about their reporting points. They noted that there were no significant deficiencies in the design or operation of internal controls that could adversely affect the Group's ability to record, process and report financial data. Accordingly, the Group's risk management systems and internal control systems (including financial, operational, compliance and information technology controls) are adequate and effective.

CORPORATE GOVERNANCE REPORT

(b) The financial records of the Company and the Group are properly maintained and that the statements give a true and fair view of the Company's operations and finances and are in accordance with the relevant accounting standards.

In addition, pursuant to the amended Rule 720(1) of the Listing Manual of SGX-ST, the Company had received undertakings from all the Directors and executive officers that they each shall, in the exercise of their powers and duties as Directors and officers, comply to the best of their abilities with the provisions of the SGX-ST's Listing Rules, the Securities and Future Act, the Code on Takeover and Mergers, and the Companies Act and will also procure the Company to do so.

AUDIT COMMITTEE

Principle 10: The Board has an Audit Committee ("AC") which discharge its duties objectively.

PROVISION 10.1

PROVISION 10.2

AC Composition and Role

The Audit and Risk Committee was tasked by the Board to assist in overseeing the Company's risk management framework and policies. To reflect its enhanced role, the AC was renamed the ARC in FY2013.

ARC Composition: Members of the ARC comprise four Non-Executive Directors; namely Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon, Paul, Ms. Lim Siew Li and Mr. Lee Khin Tien. 75% of the members of the ARC, including its Chairman, are independent.

The members of the ARC, including the Chairman, have recent and relevant accounting and/or related financial management expertise.

Number of Meetings

The ARC held four meetings during FY2025.

Key Terms of Reference and Activities

During FY2025, the ARC has performed its duties as guided by its key terms of reference which stipulate its principal functions.

The key terms of reference of the ARC are as follows:

- Review with the external/internal auditors the audit plans, their evaluation of the system of internal accounting controls, and their audit report including the scope and results of the external audit, the independence and objectivity of the external auditors

- Review the consolidated financial statements of the Group and the financial statements of the Company and any announcements relating to the Group and Company's financial performance, before submission to the Board of Directors for approval
- Review the assurance from the CEO and the CFO with regard to the financial records and statements
- Review the assurance from the CEO and the CFO on the adequacy and effectiveness of the Company's risk management and internal control systems
- Review the internal control procedures, its scope and the results and to ensure co-ordination between the external/internal auditors and the Management; and review the assistance given by Management to the external auditors, and discuss problems and concerns, if any, arising from the interim and final audits
- Review and report to the Board at least annually the adequacy and effectiveness of the Company's risk management and system of internal controls
- Review the effectiveness of the Company's internal audit function
- Review the policy and arrangements by which employees of the Group and any other persons may, in confidence, report to the Chairman of the ARC, concerns about possible improprieties in financial reporting or other matters and ensuring that there are arrangements in place for such concerns to be safely raised and independently investigated, and for appropriately follow-up action to be taken
- Review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results and/or financial position, and the Management's response
- Meet with external auditors and internal auditors, without the presence of management, to discuss any concerns or issue, at least once annually
- Make recommendation to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors
- Review interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual
- Review potential conflicts of interest, if any
- Undertake such other review and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and which requires the attention of the ARC
- Undertake such other functions and duties as may be required by statute or the SGX-ST Listing Manual, or by such amendments as may be made from time to time.

Access to Information

The ARC has full access and co-operation of Management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any Director and key management personnel of the Group to attend its meetings. The external and internal auditors have unrestricted access to the ARC.

Whistle-blowing Policy

As a further enhancement to internal risk control processes, ARC has an established whistle-blowing policy. Allegations on serious matters relating to financial reporting, illegal or unethical conduct can be reported directly to Mr. Yang Wen-Wei, the Chairman of the Board and RC, for appropriate actions. The whistle-blowing policy which has been endorsed by the Board has been communicated to all employees in the Group.

Under the whistle-blowing policy, employees of the Group can, in good faith and confidence, raise concerns about improper conduct for independent investigation, and that the employees making such reports will be treated fairly and, to the extent possible, protected from reprisal. Anonymous complaints will also be accepted and investigated. While the Whistle-blowing Policy is meant to protect genuine whistle-blowers from any unfair treatment as a result of their report, it strictly prohibits frivolous and bogus complaints. The policy is also not a route for taking up personal grievances.

A mechanism for the submission of issues/concerns has been established. The Whistle-blowing Policy requires that the identity of the whistle-blower to be kept confidential at all times. Where the whistle-blower has disclosed his/her identity, such disclosure and/or the issues submitted by the whistle-blower will be kept confidential and within the knowledge of the ARC only (as the case may be). In addition, there may be exceptional circumstances where the identity of the whistle-blower(s) or the issues raised could/ would not be kept confidential and will need to be disclosed. In such circumstances, the ARC will endeavour to discuss the need for such disclosures with the whistle-blower(s) first, if it is appropriate to do so.

The whistle-blowing policy is reviewed by the ARC periodically to assess the effectiveness of the processes in place and to ensure that the said policy is updated to take into account any related changes in legal and regulatory requirements. The ARC concluded that there is no significant matter raised through the whistle-blowing channel during FY2025.

PROVISION 10.3***Cooling off Period for Partners or Directors of the Company's Auditing Firm***

No former partner or director of the Company's existing auditing firm or audit corporation is a member of the ARC.

PROVISION 10.4***Financial Reporting Matters*****Financial Reporting and Key Audit Matter**

One of the key roles of the ARC is to review the financial statements, including the review of significant judgements and accounting estimates so as to ensure the integrity of the Company's financial statements.

Following discussions with the external auditors, the ARC and the external auditors have determined that the valuation of the Group's freehold land on which the hotels are sited and investment properties are key audit matters for FY2025.

CORPORATE GOVERNANCE REPORT

Key Audit Matter	ARC's Comment on Key Audit Matter
<p>Valuation of properties – Freehold land and investment properties (Notes 13 and 14 to the financial statements)</p> <p>The Group's freehold land on which its hotels are sited and investment properties are stated at their fair values based on independent external valuations. As at 31 December 2025, the Group's freehold land and investment properties amounted to \$537.53 million and \$166.38 million respectively, and these assets accounted for approximately 57% and 18% of total assets respectively.</p> <p>The valuation process for these freehold land and investment properties involves determining the valuation methodology to be used, and significant judgement in estimating the underlying assumptions to be applied. Depending on the valuation methodology and property type, the key estimation inputs include values per square metre or contract room referenced to comparable properties, occupancy rates, revenue per room, capitalisation rate and discount rate. A small change in key inputs may have a significant impact on the valuation of each of the properties.</p>	<p>For FY2025, the Group recognised in other comprehensive income (page 135 of this Annual Report) net valuation gain of \$21.10 million for freehold land on which the hotels are sited. The freehold land amounting to \$537.53 million, accounted for 57% of total assets at 31 December 2025.</p> <p>The Group recognised a net fair value gain on investment properties of \$2.22 million in the profit or loss for FY2025. The investment properties amounting to \$166.38 million, accounted for 18% of total assets at 31 December 2025.</p> <p>The valuations for freehold land and investment properties involved significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. A small change in key inputs may have a significant impact on the valuation of each of the properties.</p> <p>The Group engaged reputable valuers with the necessary qualifications, competence and independence.</p> <p>In order to be satisfied that the valuations of freehold land and investment properties were not materially misstated, the ARC reviewed the qualifications and competence of the valuers, and the various valuation methods, assumptions and inputs used with Management.</p> <p>The ARC also obtained an understanding on the work performed by the external auditors, including their assessment of the appropriateness of the various valuation methodologies and relevance of the assumptions and inputs.</p> <p>Following these discussions, ARC noted that the engagement of the external independent and experienced valuers; the valuation methods, assumptions and inputs used; explanations given by Management and the work performed by the auditors provided a reasonable basis for the valuation of the freehold land and investment properties as of 31 December 2025. The ARC considered the comments of the Independent Auditors' Report and the disclosures in Notes 13 and 14 to the financial statements. These were consistent with the results of the above discussions.</p>

The external and internal auditors conducted annual review to assess the risk profile including the review on the adequacy of the internal controls, addressing financial, operational, compliance risks and information technology. Such review also assessed whether there was reasonable assurance regarding the effectiveness and efficiency of operations, reliability of Management and financial

reporting, and compliance with internal policies. Any material non-compliance or lapses in internal controls, together with corrective measures, are reported to the ARC. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored.

The role of the Internal Auditors is to support the ARC in ensuring that the Group maintains a sound system of risk management and internal controls by monitoring and assessing the adequacy and effectiveness of key controls and procedures, conducting in-depth audits of high-risk areas and undertaking investigations as directed by the ARC.

The hiring, removal, evaluation and compensation of the Internal Auditors, or corporation to which the internal audit function is outsourced, require ARC's approval. The Internal Auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the ARC.

The Company's internal audit function is outsourced to a professional firm, Philip Liew & Co. who is not involved in the Company's business activities. The Internal Auditors, staffed with persons of relevant qualifications and experience, carry out the internal audit taking guidance from the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors, and report directly to the ARC on internal audit matters. The ARC has reviewed and is satisfied with the independence, adequacy and effectiveness of the Company's internal audit function. The ARC is also satisfied that the internal auditor is adequately resourced and has the appropriate standing within the Group.

The Internal Auditors report directly to the ARC.

On an annual basis, the ARC meets regularly with the Management and external/internal auditors to review audit and risk management matters and discuss accounting implications of any major transactions including significant financial reporting issues. It also reviews the internal audit functions to ensure that an effective system of internal controls is maintained in the Group. On a half yearly basis, the ARC also reviews the interested person transactions and the financial result announcements before their submission to the Board for approval. The ARC is kept abreast by the Management, the external auditors and the Company Secretary of changes to accounting standards, listing rules of the SGX-ST and other regulations which could have an impact on the Group's business and financial statements.

In addition, at least once a year, the ARC, together with the Board, reviews the effectiveness and adequacy of the Group's system of internal controls put in place to address key financial, operational, compliance and information technology controls and risk management system affecting the operations.

The Board, with the concurrence of the ARC, is of the view that the Group's internal control systems, particularly its financial, operational, compliance, information technology controls and risk management systems, are adequate and effective as of 31 December 2025.

The Board acknowledges that it is responsible for the overall internal control and risk management framework. However, it recognises that the system of internal control and risk management established by Management provides reasonable but not absolute assurance against human errors, frauds, poor judgement in decision making, and other irregularities.

At least once a year, the ARC meets with the internal auditors and external auditors separately. In FY2025, it met without the presence of the Management to review any matter that might be raised. Both the external and internal auditors report directly to the ARC their findings and recommendations.

The ARC is satisfied that the appointment of external auditors is in compliance with the requirements of Rule 712 and 715 of the SGX-ST Listing Manual. Together with the audit engagement partner and his team assigned to the audit of the Group, the ARC was satisfied that the resources and experience of Messrs. Deloitte & Touche LLP, the audit engagement partner and his term assigned to the audit, were adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group.

The ARC has discussed on the performance of the external auditors taking into consideration the Audit Quality Indicators Disclosure Framework recommended by the Accounting and Corporate Regulatory Authority ("**ACRA**") as reference. It has also reviewed all non-audit services provided by the external auditors to satisfy itself that the nature and extent of such services will not affect the independence and objectivity of the external auditors, before confirming their re-nomination. The external auditors have also provided a confirmation of their independence to the ARC.

Accordingly, the ARC, with the concurrence of the Board, has recommended the appointment of Messrs. Deloitte & Touche LLP as external auditors of the Company at the forthcoming annual general meeting based on their performance and the quality of their audit. Rule 716 of the Listing Manual of the SGX-ST is not applicable as the same auditing firm is appointed for the Company and its subsidiaries.

For FY2025, the Group incurred an aggregate of \$557,000 to the external auditors, of which was \$491,000 was for audit services and \$66,000 was for non-audit services.

PROVISION 10.5

Meeting Auditors without the Management

The ARC meets with the internal auditors and external auditors separately at least once a year. to review matters that were raised, without the presence of the Management. Both the external and internal auditors report directly to the ARC their findings and recommendations.

CORPORATE GOVERNANCE REPORT

IV. SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

PROVISION 11.1

Hotel Royal practices fair and equal dissemination of information. All media releases, announcements and investor presentations are issued via SGXNet and uploaded on our website, providing timely information to shareholders.

Conduct of General Meetings

Shareholders are encouraged to be present at the annual general meeting in person so that face-to-face communication can best be achieved. The annual general meeting is the principal forum for dialogue with shareholders. Thus, with greater shareholders participation, it will ensure that they will be kept up to date as to the Group's long-term strategies and goals.

Shareholders are informed of general meetings through notices contained in annual reports or circulars that are sent to shareholders. The notice of general meetings is also published in the Business Times and announced via SGXNet within the mandatory period. Rules, including voting procedures, that governed general meetings are included in the annual reports or circulars and explained further before the voting process.

We usually provide our shareholders with longer than the minimum notice period required for general meetings. We also give the necessary background information for each resolution so as to enable shareholders to vote on an informed basis.

Last AGM on 25 April 2025

The last AGM of the Company was physically held at Hotel Royal, Level 3, Royal Room 1, 36 Newton Road, Singapore 307964 on Friday, 25 April 2025.

If shareholders are unable to attend the annual general meetings, the Company's Constitution allows a shareholder of the Company to appoint up to two proxies to attend and vote in place of the shareholder.

Forthcoming AGM on 30 April 2026 ("AGM 2025")

The forthcoming AGM will be held, in a wholly physical format, at Hotel Royal Queens, Level 3, Royal Ballroom, 12 Queen Street, Singapore 188553 on Thursday, 30 April 2026. There will be no option for shareholders to participate virtually.

PROVISION 11.2

Separate Resolutions

The Company put all resolutions tabled to vote by poll. All resolutions at the Company's general meeting will be by poll so as to better reflect shareholders' shareholding interest and promote greater transparency. The Company appoints an independent external party as scrutineer for the electronic poll voting process. Prior to the general meeting, the scrutineer will review the proxies and the electronic poll voting system, and attends the proxy verification process, to ensure that the proxy and poll voting information is compiled correctly. During the general meeting, the scrutineer attends to ensure that the polling process is properly carried out. The detailed results showing the number of votes cast for and against each resolution and the respective percentages will be announced immediately at the meeting and also disclosed via SGXNet on the same day. If shareholders are unable to attend the annual general meetings, the Company's Constitution allows a shareholder of the Company to appoint up to two proxies to attend and vote in place of the shareholder. The Company has amended its Constitution to allow corporations which provide nominee or custodial services to appoint more than two proxies so that shareholders who hold shares through such corporations can attend and participate in general meetings as proxies.

All resolutions tabled at general meetings are on each substantially separate issue and all resolutions at general meetings requiring shareholders are proposed as separate resolutions. Detailed information on each item in the general meeting's agenda is provided in the explanatory notes to the notice of the general meeting.

Investor Relations

Hotel Royal strives to communicate pertinent information to shareholders and the investment community in a clear manner on a regular and timely basis. We commit to disclosing material price and trade-sensitive information to the public on a prompt and inclusive basis, providing shareholders with the latest, relevant information that they required to make informed decisions. Material information is always first published on SGXNet, followed by the Group's website – <https://hotelroyal.listedcompany.com/home.html>.

As required by the Listing Manual, the Company discloses the names of its substantial shareholders and provide a breakdown of their direct and deemed interests (including how such interests are held or derived) in its annual report every year. The Company also disseminates via SGXNet the notifications it receives from its substantial shareholders, in accordance with the provisions of the Securities and Futures Act (SFA).

A dedicated Investor Relations sections on our website enables access by the investing public to pertinent information about the Company such as past and present annual reports, financial results and updates.

PROVISION 11.3

Interaction with Shareholders

All the Directors (including the various Chairmen of the Board Committees) and senior Management are also present at the meeting to address queries and concerns from the shareholders. The external auditors are also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' reports.

All Directors and the external auditors were present at the last AGM held on 25 April 2025.

At each AGM, the Chairman of the Board, Directors and Senior Management are in attendance to address queries and concerns about the Group. The Company's external auditor also attends to help address shareholders' queries relating to the conduct of the audit and the auditor's reports that may arise. Shareholders are informed of the voting procedures and rules governing the meeting.

PROVISION 11.4

Shareholders' Participation

If shareholders are unable to attend the annual general meetings, the Company's Constitution allows a shareholder of the Company to appoint up to two proxies to attend and vote in place of the shareholder. The Company has amended its Constitution to allow corporations which provide nominee or custodial services to appoint more than two proxies so that shareholders who hold shares through such corporations can attend and participate in general meetings as proxies.

Voting in absentia in general meetings of shareholders, via email, electronic mail or facsimile, may also be possible following careful study to ensure that the integrity of the information and authentication of the of the shareholders' identity is not compromised.

PROVISION 11.5

Minutes of General Meetings

The Company prepares minutes of general meetings that include substantial and relevant comments and queries from shareholders relating the meeting's agenda, and response from the Board and Management. These minutes are available to the shareholders via SGXNet and on the Company's website.

PROVISION 11.6

Dividend Policy

The Company's priority is to achieve long-term capital growth as it recognises shareholders' desire to receive returns on their investments. The Company also recognises shareholders' design to receive income out of their investments by way of dividends.

The Company intends to declare an annual dividend amounting to at least one-third of its net profit before fair value adjustments, exceptional and extraordinary items and after income tax. In considering the declaration of dividends, the Company will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate.

The Board may, at its absolute discretion, consider recommending a special dividend to commemorate the Company having achieved exceptional operational performance in a particular year or in a major investment sale.

A first and final dividend of 3.0 cents per ordinary share one-tier tax exempt for FY2025 have been proposed for shareholders' approval at the forthcoming AGM on 30 April 2026.

CORPORATE GOVERNANCE REPORT

ENGAGEMENT WITH SHAREHOLDERS

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

PROVISION 12.1

PROVISION 12.2

PROVISION 12.3

Disclosure of information on a timely basis

In line with the continuous disclosure obligations of the Company pursuant to the Singapore Exchange Listing Rules and the Singapore Companies Act, it is the Board's policy to ensure that all shareholders are informed regularly, comprehensively and on a timely basis of every significant development that impact on the Group. The Company does not practise preferential and selective disclosure to any group of shareholders.

Pertinent information is communicated to all shareholders on a regular and timely basis through the following means:

- The Company's annual reports
- Notices of and explanatory memoranda for annual general meetings and extraordinary general meetings
- Announcements of half-year and full-year financial statements containing a summary of the financial information and affairs of the Group for the period. These are disclosed on SGXNet
- Other announcements, where appropriate
- Press releases regarding major developments of the Group
- Disclosures to the Singapore Exchange Securities Trading Limited.

The Company notifies the investors' public in advance of the date of the release of its financial results via a SGXNet announcement.

Shareholders can contact the Company via a dedicated email, ir@hotelroyal.com.sg, that is featured in the inside cover page of the Company's annual report. The Company responds to all queries.

V. MANAGING STAKEHOLDERS' RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

PROVISION 13.1

PROVISION 13.2

Stakeholders' Engagement

The Company identifies stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include hotel guests, employees, contractors, suppliers, government, regulators, community, shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders. For more information on the Company's stakeholder engagement, please refer to the Company's Sustainability Report set out on pages 38 to 81 of this Annual Report.

PROVISION 13.3

Corporate Website

The Company adopts transparent, accountable and effective communication practices and to ensure fair dissemination to shareholders, all materials such as half-year and full-year financial results, annual reports, announcements and minutes of general meetings are available on the Company's website (www.hotelroyal.com.sg). The website also contains other useful investor-related information.

For ease of communication, shareholders can contact Management via ir@hotelroyal.com.sg. This will allow the Board and Management to gather shareholders' views and inputs, and address shareholders' concern. The contact details of the investor relations function are also set out in the inside cover page of this Annual Report as well as on the Company's website. The Company have procedures in place for responding to investors' queries.

VI. OTHER CORPORATE GOVERNANCE MATTERS

DEALING IN SECURITIES

- Listing Manual Rule 1207(19)

The Group has adopted an internal code on dealings with securities which, amongst others, prohibits the directors and key management personnel of the Group from dealing in the Company's shares one month immediately preceding the announcement of the Company's half-year and full-year results respectively or upon possession of unpublished price-sensitive information on the Group. In addition, Directors and key executives are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. They are also not allowed to deal in the Company's shares on short-term considerations. Directors are required to notify the Company their securities dealings within two (2) business days of such dealings and the Company shall disseminate the notifications received to the market via SGXNet within one (1) business day of receiving such notifications.

In view of the processes in place, in the opinion of the Board, the Company has complied with Rule 1207(19) of the Listing Manual of SGX-ST on dealing in securities.

MATERIAL CONTRACTS

- Listing Manual Rule 1207(8)

There was no material contracts entered into by the Company or any of its subsidiaries involving the interests of the CEO, any Director or controlling shareholder during the year under review or have been entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

- Listing Manual Rule 907

The Company has established procedures to ensure that all transactions with interested persons are properly documented and reported in a timely manner to the ARC and that transactions are conducted on an arm's length basis and are not prejudicial to the interests of the Company and its non-controlling shareholders.

The Board ensures that all disclosure, approval and other requirements on interested person transactions, including those required by prevailing legislation, the Listing Manual and accounting standards are complied with.

There was no material contracts entered into by the Company and Group involving the interests of any Director or controlling shareholder, either still subsisting at the end of FY2025 or if not then subsisting, entered into since the end of the previous financial year.

The Company's disclosure in related party transactions for FY2025 are set out on page 162 of this Annual Report. There were no transactions in excess of \$100,000 per transaction entered into by the Company and Group for the year under review or have been entered into since the end of the previous financial year.

When a potential conflict arises, the concerned parties do not participate in its deliberation so as to refrain from exercising any influence over other members of the Board.

CODE OF CONDUCT AND ETHICS FOR EMPLOYEES

The Group has a Code of Conduct and Ethics for Employees that sets the standards and ethical conducts expected of all employees (https://hotelroyal.listedcompany.com/ethics_business_conduct.html). This code covers workplace conduct, protection of the Group's assets, information confidentiality, conflict of interests, business conduct, gratuities or bribes and dishonest behaviour.

All employees are expected to maintain a high standard of personal integrity and compliance to Company policies and with the laws and regulations of the countries in which it operates.

RISK MANAGEMENT

1. Introduction & Governance

FY2025 was a transformative year for Hotel Royal Limited — defined by leadership renewal, digital progress, and a strengthened workplace culture. The Group's risk management framework served as both a safeguard and a strategic enabler, guiding decision-making during a period of operational evolution and strategic expansion.

In alignment with the Group's renewed emphasis on workplace culture, the Board and management have reinforced governance and accountability across all levels. The Audit & Risk Committee (ARC) provides oversight of the Group's risk management and internal control systems, while management is responsible for embedding risk awareness and ownership into everyday operations. Internal Audit continues to provide independent assurance on the adequacy and effectiveness of these controls.

Leadership renewal, including the appointment of a new Deputy CEO, COO, and restructuring of the Finance, HR, and Digitalization departments, has strengthened tone-from-the-top accountability. Together, these changes reinforce a governance culture where care, transparency, and responsibility drive decision-making.

The Group's risk governance structure comprises:

- The Board of Directors – sets strategic direction and defines overall risk appetite.
- The Audit & Risk Committee – reviews risk policies, exposures, and mitigation measures.
- Executive Management – executes strategies, manages daily risks, and promotes a risk-aware culture.
- Internal Audit – provides independent assurance and recommendations.



2. Risk Culture & People

At Hotel Royal, risk management begins with people. The Group's culture of accountability, care, and continuous improvement underpins its governance and operational resilience. FY2025 marked a turning point, elevating workplace culture into a strategic pillar for long-term success.

Through leadership renewal and clearer lines of communication, employees are empowered to act responsibly, voice potential risks, and collaborate across departments to find solutions. This people-first approach reinforces integrity, shared accountability, and a mindset of collective ownership — where every team member contributes to the Group's risk awareness and resilience.

3. Dynamic Enterprise Risk Management (ERM) Framework

The Group's Enterprise Risk Management (ERM) Framework provides a dynamic and integrated process for identifying, assessing, and managing risks. The framework emphasizes feedback loops, collaboration, and continuous improvement, ensuring alignment between risk oversight, strategy, and culture.

Risk management is embedded not only in systems and processes but in the way people think and act. In FY2025, the rollout of the Group's new ERP system enhanced data visibility and encouraged cross-functional collaboration, enabling more informed and agile risk responses.



4. Risk Appetite & Culture

Hotel Royal maintains a moderate and prudent risk appetite, balancing empowerment with prudence. This ensures that calculated risks are taken to achieve sustainable growth while preserving financial stability and stakeholder confidence.

A strong workplace culture reinforces disciplined risk-taking, open communication, and shared accountability. By linking empowerment with integrity, the Group ensures that decisions at every level reflect its long-term commitment to responsible governance.

5. Key Risk Areas

FY2025 marked a defining year for Hotel Royal's approach to enterprise risk. As the Group advanced its leadership renewal, digital transformation, and asset enhancement initiatives, its risk landscape evolved in parallel. The Group's key risks span six core areas — Business & Strategic, Operational, Financial, Compliance & Regulatory, Information Technology & Cyber, and Emerging & ESG-Linked risks. Each category is managed through structured governance, clear accountability, and a culture of collaboration that encourages early identification and proactive mitigation. Together, these frameworks ensure that risk awareness is embedded across all levels of the organisation. Detailed descriptions and mitigation measures are presented in the following section: Key Risk Tables.

6. Monitoring, Reporting & Continuous Improvement

Hotel Royal adopts a continuous and integrated approach to risk monitoring and improvement. Risk monitoring incorporates Key Risk Indicators (KRIs), leadership accountability, and feedback from staff engagement and training outcomes — reinforcing that culture and control are inseparable.

Key risk developments are reviewed quarterly by the ARC, supported by real-time insights from the ERP system. This feedback loop strengthens oversight and ensures that lessons learned translate into continuous improvement across the Group.

RISK MANAGEMENT

7. Disclosure & Presentation Quality

The Group continues to refine the clarity and presentation of its risk disclosures. FY2025's reporting adopts clearer subheadings, improved readability, and thematic organisation. Visual aids such as summary tables, infographics, and heatmaps enhance accessibility while maintaining SGX compliance standards.

This modernized presentation reflects the Group's commitment to transparency, governance excellence, and communication clarity.

8. Conclusion: Culture as the Foundation of Resilience

FY2025 reaffirms that Hotel Royal's resilience is built upon its people. By embedding culture into governance and linking empowerment with accountability, the Group continues to strengthen its ability to anticipate, adapt, and thrive. The Board and management are satisfied that there are no material risks that may affect the Group's ability to continue as a going concern within the next twelve months.

Hotel Royal remains steadfast in its commitment to responsible growth — where every control is guided by culture, every process strengthened by data, and every decision anchored in integrity.

KEY RISK TABLES

Business & Strategic Risks

Key Risk Description	Management's Mitigation Approach
Organisational Restructuring Risk – Leadership transitions and process realignment may affect decision continuity and operational consistency.	The Group's leadership renewal is managed through structured succession planning, defined reporting lines, and strengthened governance oversight. Clear role delineation and enhanced cross-functional collaboration ensure strategic momentum and accountability are maintained during change.
Strategic & Investment Risk – Expansion initiatives such as the Baba House development and Grand Complex seismic remediation works carry execution, regulatory, and capital deployment risks.	All major investments undergo rigorous feasibility and compliance reviews, with oversight from the ARC and Board. Project governance frameworks monitor progress, cost discipline, and schedule adherence to ensure capital stewardship and alignment with long-term value creation.
Market & Political Risk – Economic volatility and regulatory changes across operating jurisdictions may influence performance and returns.	The Group proactively monitors macroeconomic and policy trends, adapting its strategies to maintain competitiveness and resilience. Diversified geographic exposure and prudent financial management mitigate concentration risk. As of 31 December 2025, approximately 40% of the Group's assets are located overseas, accounting for about 59% of the total revenue in FY2025. It has greater geographical diversification which reduces its risk of single market concentration.

Key Risk Description	Management's Mitigation Approach
<p>Reputation & Brand Risk – Service lapses, inconsistent communication, or stakeholder misalignment may impact trust and brand equity.</p>	<p>A strengthened workplace culture emphasizes accountability, care, and service excellence. Proactive stakeholder engagement and transparent communication reinforce confidence in the Group's integrity and brand promise.</p>
<p>Business Continuity Risk – Disruptions from unforeseen events could affect operational stability and guest experience.</p>	<p>Comprehensive crisis response and business continuity plans are periodically tested and updated. Scenario planning, redundancy systems, and trained response teams ensure sustained operations and guest safety.</p>

Operational Risks

Key Risk Description	Management's Mitigation Approach
<p>Digital Transformation & Change Management Risk – The rollout of new systems, particularly the ERP platform, may create transitional inefficiencies, integration issues, or resistance to change.</p>	<p>The Group manages transformation through structured governance, clear communication, and user engagement. The Digitalization Department oversees ERP implementation with phased deployment, rigorous data validation, and ongoing staff training. Cross-functional collaboration and feedback mechanisms ensure sustained adoption and continuous improvement.</p>
<p>People & Talent Risk – Leadership transitions, talent retention, and capability development may affect organisational resilience.</p>	<p>The Group invests in developing a skilled and adaptable workforce through targeted training, succession planning, and mentorship. Continuous engagement initiatives and performance recognition programs strengthen staff commitment and retention.</p>
<p>Environmental & Climate Risk – Physical assets may be exposed to weather-related disruptions or regulatory developments.</p>	<p>The Group conducts preventive maintenance, energy-efficiency audits, and compliance reviews to minimize environmental exposure. Property upgrades and sustainability measures enhance long-term asset resilience.</p>

RISK MANAGEMENT

Financial Risks

Key Risk Description	Management's Mitigation Approach
<p>Credit Risk – Exposure to counterparties' creditworthiness may impact financial stability.</p>	<p>The Group maintains deposits with reputable financial institutions and enforces disciplined credit evaluations. Counterparty exposure is regularly reviewed to ensure sound credit practices and timely collections.</p>
<p>Interest Rate & Foreign Exchange Risk – Market volatility may influence borrowing costs, asset valuations, and cross-border performance.</p> <p>Exchange gain or loss may also arise when the assets and liabilities in foreign currencies are translated into Singapore dollars for financial reporting purposes. For FY2025, Group's net assets was approximately denominated in Malaysian Ringgit 21% (2024: 20%), 8% (2024: 8%) and 11% (2024: 11%) in New Zealand Dollars and Thai Baht respectively.</p>	<p>Borrowings are primarily structured in local currencies to achieve natural hedging. The Group monitors rate trends and currency movements closely, maintaining flexibility to reprofile financing where prudent.</p> <p>Continuous monitoring of the exchange rates of major currencies. Currency translation risk, which is inherent for operations outside Singapore, is non-cash in nature and therefore not hedged.</p>
<p>Liquidity & Funding Risk – Insufficient liquidity or limited funding access could constrain operations and growth opportunities.</p>	<p>Management maintains strong liquidity buffers, diversified banking relationships, and unutilized credit facilities totalling \$145.6 million (2024: \$147.4 million) and \$89.2 million (2024: \$91.5 million) respectively. ERP-based cash flow forecasting enhances forward visibility and supports financing agility. .</p>
<p>Capital Structure & Valuation Risk – Imbalance between equity and debt, or shifts in market conditions, may affect valuation resilience and long-term funding capacity.</p>	<p>The ARC and Board conduct regular reviews to ensure disciplined capital management. The Group's prudent leverage and long-term funding strategy safeguard balance sheet strength while preserving financial flexibility for future investments taking into consideration, future capital requirements and capital efficiency, prevailing operating cash flow and profitability, as well as projected capital expenditure.</p> <p>The capital structure of the Group consists of equity comprising share capital disclosed in Note 20 reserves and retained earnings, and debts which comprise bank borrowings and leases disclosed in Note 15, 18 and 32 to the financial statements. Regular reviews are performed to ensure that the capital structure is optimal</p>

Compliance & Regulatory Risks

Key Risk Description	Management's Mitigation Approach
Regulatory & Ethical Conduct Risk – Non-compliance or governance lapses may lead to legal, financial, or reputational exposure.	Following the Group's head-office restructuring, governance oversight has been strengthened through an updated delegation matrix, clearer reporting lines, and enhanced whistleblowing mechanisms. The ARC and management uphold a culture of transparency and integrity, ensuring ethical conduct across all business units.
Policy & Framework Risk – Inconsistent policy implementation or interpretation across jurisdictions may affect compliance assurance.	Regular policy reviews and internal audits ensure consistent application of regulatory standards across all entities. The Group's governance practices are aligned with the MAS Risk Governance Guidance for Listed Boards, reinforcing accountability, independence, and adherence to best practice principles.

Information Technology & Cyber Risks

Key Risk Description	Management's Mitigation Approach
Cybersecurity & Data Governance Risk – Increased digital integration, including ERP implementation, heightens exposure to cyber threats, data breaches, and governance lapses.	The Digitalization Department oversees Group-wide IT governance, incorporating real-time monitoring, patch management, and employee awareness programs to reinforce cyber resilience. Data governance policies, user access controls, and encryption protocols safeguard information integrity and confidentiality. Regular penetration testing and compliance audits strengthen overall system security.
System Integration & Vendor Risk – Technology downtime, integration challenges, or third-party failures may disrupt business continuity.	Robust system integration controls, redundancy protocols, and recovery measures ensure operational stability. Third-party vendor risk management is embedded within IT oversight, including due diligence reviews, contractual safeguards, and performance monitoring. Continuous user training and post-implementation reviews enhance system reliability and user competency across the Group.

RISK MANAGEMENT

Emerging & ESG-Linked Risks

Key Risk Description	Management's Mitigation Approach
<p>Evolving Hospitality Landscape – Regional inflationary pressures, shifting travel patterns, and changing consumer expectations may influence demand and profitability.</p>	<p>The Group closely monitors regional tourism trends, inflation rates, and competitor activity to anticipate shifts in market dynamics. Data-driven pricing, agile marketing, and diversified customer outreach strengthen the Group's ability to adapt to evolving travel behaviors.</p>
<p>ESG & Sustainability Compliance Risk – Increasing regulatory focus on sustainability and climate transition standards may elevate disclosure and compliance obligations.</p>	<p>ESG compliance and sustainability reporting are integrated into the Group's ERM framework and overseen by the ARC. Climate transition regulations and environmental performance indicators are actively monitored to ensure timely alignment with global best practices and stakeholder expectations.</p>
<p>Technological Disruption & Automation Risk – Rapid advancement in artificial intelligence, automation, and digital solutions may reshape traditional operating models.</p>	<p>The Group monitors technological developments and selectively invests in digital tools that enhance service delivery, operational efficiency, and data-driven insights. Innovation adoption is guided by human-centered principles, ensuring technology complements — not replaces — guest experience and workforce engagement.</p>

Financial Statements

- 126** Directors' Statement
- 129** Independent Auditor's Report
- 132** Statements of Financial Position
- 134** Consolidated Statement of Profit or Loss and Other
Comprehensive Income
- 136** Statements of Changes in Equity
- 138** Consolidated Statement of Cash Flows
- 139** Notes to Financial Statements

DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of Hotel Royal Limited (the "Company") and its subsidiaries (the "Group") and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2025.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 132 to 186 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Yang Wen-Wei
 Leow Chung Chong Yam Soon
 Lim Siew Li
 Lee Khin Tien
 Lee Kin Hong
 Dr Lee Chu Muk
 Lee Chou Hor George

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 except as follows:

Name of directors and company in which interests are held	Shareholdings registered in name of directors		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
The Company	Ordinary shares		Ordinary shares	
Lee Khin Tien	727,063	727,063	-	-
Lee Kin Hong	499,658	499,658	483,840	483,840
Lee Chou Hor George	42,000	42,000	12,993,680	12,993,680

The directors' interests as disclosed above remained unchanged at 21 January 2026.

4 SHARE OPTIONS

(a) Options to take up unissued shares

During the financial year, no option to take up unissued shares of the Company or any corporation in the Group were granted.

4 SHARE OPTIONS (cont'd)

(b) **Options exercised**

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) **Unissued shares under option**

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

5 AUDIT AND RISK COMMITTEE

Members of the Audit and Risk Committee comprise the following directors, namely Mr Leow Chung Chong Yam Soon (Chairman of the Audit and Risk Committee), Mr Yang Wen-Wei, Mr Lee Khin Tien and Ms. Lim Siew Li.

The Audit and Risk Committee ("ARC") held four meetings during the financial year ended 31 December 2025 and performed the following functions:

- (a) Review with external/internal auditors the audit plans, their evaluation of the system of internal accounting controls, and their audit report including the scope and results of the external audit, the independence and objectivity of the external auditors;
- (b) Review the consolidated financial statements of the Group and the financial statements of the Company and any announcements relating to the Group and Company's financial performance, before submission to the Board of Directors for approval;
- (c) Review the Group's financial and operating results and accounting policies;
- (d) Review the internal control procedures, its scope and the results and to ensure co-ordination between the external/internal auditors and the Management; and review the assistance given by Management to the external auditors, and discuss problems and concerns, if any, arising from the interim and final audits;
- (e) Review and report to the Board of Directors at least annually the adequacy and effectiveness of the Company's risk management and system of internal controls;
- (f) Review the effectiveness of the Company's internal audit function;
- (g) Review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results and/or financial position, and the Management's response;
- (h) Make recommendation to the Board of Directors on the proposals to the shareholders on the appointment, re-appointment or removal of the external auditors;
- (i) Review interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual;
- (j) Review potential conflicts of interest, if any;
- (k) Undertake such other review and projects as may be requested by the Board of Directors, and report to the Board of Directors its findings from time to time on matters arising and which requires the attention of the ARC; and
- (l) Undertake such other functions and duties as may be required by statute or the SGX-ST Listing Manual, or by such amendments as may be made from time to time.

DIRECTORS' STATEMENT

5 AUDIT AND RISK COMMITTEE (cont'd)

The ARC has full access to and co-operation of management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the ARC.

The Company's internal audit function has been outsourced to Philip Liew & Co. Both the external auditors and the internal auditors report directly to the ARC their findings and recommendations.

The ARC, having reviewed the scope and value of non-audit services provided to the Company and Group by the external auditors, are satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The ARC has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming annual general meeting of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

.....
Yang Wen-Wei

.....
Lee Khin Tien

18 March 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOTEL ROYAL LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hotel Royal Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, as set out on pages 132 to 186.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of properties - Freehold land and investment properties

(Notes 13 and 14 to the financial statements)

The Group's freehold land on which its hotels are sited and investment properties are stated at their fair values based on independent external valuations. As at 31 December 2025, the Group's freehold land and investment properties amounted to \$537.53 million and \$166.38 million respectively, and these assets accounted for approximately 57% and 18% of total assets respectively.

The valuation process for these freehold land and investment properties involves determining the valuation methodology to be used, and significant judgement in estimating the underlying assumptions to be applied. Depending on the valuation methodology and property type, the key estimation inputs include values per square metre or contract room referenced to comparable properties, occupancy rates, revenue per room, capitalisation rate and discount rate. A small change in key inputs may have a significant impact on the valuation of each of the properties.

Our audit performed and responses thereon

We obtained an understanding of management's process in selecting the external valuers with the appropriate knowledge and experience and how the valuation reports are used in determining the fair values for accounting purpose. We evaluated the qualifications, competency and objectivity of the external valuers.

We discussed with the valuers and management, and involved our internal specialists to assess the appropriateness of the valuation methodologies used by the valuers, and evaluated the basis and assumptions of the key inputs used in the respective valuation. We also sought explanations from the valuers and management, and evaluated whether these key inputs are reasonable and in line with the individual property's performance or available industry information.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HOTEL ROYAL LIMITED

We also considered the adequacy of the disclosures in Notes 13 and 14 to the financial statements, in describing the inherent degree of subjectivity and key assumptions used in the estimates.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Michael Ng Wee Kiat.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

18 March 2026

STATEMENTS OF FINANCIAL POSITION

31 December 2025

	Note	The Group		The Company	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Current assets					
Cash and bank balances	6	24,430	19,559	2,782	3,583
Financial assets at fair value through profit or loss	7	5,105	6,493	2,752	3,900
Financial assets at fair value through other comprehensive income	8	3,418	5,166	221	178
Trade receivables	9	2,710	2,308	423	292
Other receivables, deposits and prepaid expenses	10	3,020	1,920	450	425
Inventories		948	885	50	93
Income tax recoverable		70	69	-	-
Total current assets		39,701	36,400	6,678	8,471
Non-current assets					
Subsidiaries	11	-	-	285,186	283,018
Financial assets at fair value through other comprehensive income	8	21,045	19,424	16,395	15,386
Other assets	12	1,431	916	500	226
Property, plant and equipment	13	707,218	711,161	269,473	261,869
Investment properties	14	166,376	130,424	38,350	37,367
Total non-current assets		896,070	861,925	609,904	597,866
Total assets		935,771	898,325	616,582	606,337
LIABILITIES AND EQUITY					
Current liabilities					
Bank loans	15	7,150	5,234	-	460
Trade payables		2,653	5,018	723	2,468
Other payables	16	8,868	5,319	3,412	641
Income tax payable		1,908	2,189	509	950
Total current liabilities		20,579	17,760	4,644	4,519

STATEMENTS OF FINANCIAL POSITION (cont'd)

31 December 2025

Note	The Group		The Company		
	2025 \$'000	2024 \$'000 (Restated)	2025 \$'000	2024 \$'000	
Non-current liabilities					
Other payables	16	84	37	10,903	10,896
Retirement benefit obligations	17	476	398	-	-
Long-term bank loans	18	152,100	157,461	82,779	80,455
Deferred tax liabilities	19	20,665	17,404	1,350	879
Total non-current liabilities		173,325	175,300	95,032	92,230
Capital and reserves					
Share capital	20	190,836	190,836	190,836	190,836
Asset revaluation reserve	21	433,563	412,464	241,408	234,708
Employee benefit reserve	22	51	57	-	-
Fair value reserve	23	19,762	18,120	15,462	14,411
Foreign currency translation reserve	24	(11,865)	(18,793)	-	-
Retained earnings		109,520	102,581	69,200	69,633
Total equity		741,867	705,265	516,906	509,588
Total liabilities and equity		935,771	898,325	616,582	606,337

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2025

	Note	The Group	
		2025 \$'000	2024 \$'000
Revenue	25	74,140	66,753
Cost of sales		(39,739)	(36,157)
Gross profit		34,401	30,596
Administrative expenses		(17,404)	(16,371)
Other income	26	2,977	3,279
Other expenses		(829)	(106)
Finance costs	27	(5,824)	(7,538)
Profit before income tax	28	13,321	9,860
Income tax expense	29	(3,286)	(3,174)
Profit for the year attributable to owners of the Company		10,035	6,686
Basic profit per share	30	8.30 cents	5.53 cents
Diluted profit per share	30	8.30 cents	5.53 cents

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(cont'd)

Year ended 31 December 2025

	Note	The Group	
		2025 \$'000	2024 \$'000 (Restated)
Profit for the year		10,035	6,686
Other comprehensive income (loss):			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net fair value gain on investments in equity instruments designated as at fair value through other comprehensive income		1,812	1,391
Re-measurement of defined benefit obligations		(6)	(9)
Revaluation of freehold land – hotels, net of tax	13	10,289	17,466
Revaluation gain on property, plant and equipment upon transfer to investment properties, net of tax	13	10,810	-
Total		<u>22,905</u>	<u>18,848</u>
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		<u>6,928</u>	<u>4,872</u>
Other comprehensive income for the year, net of tax		<u>29,833</u>	<u>23,720</u>
Total comprehensive income for the year attributable to owners of the Company		<u>39,868</u>	<u>30,406</u>

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 December 2025

The Group	Share capital	Asset revaluation reserve	Employee benefit reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2024 (as previously reported)	190,836	395,489	66	16,995	(24,146)	102,252	681,492
Restatement (Note 19)	-	(491)	-	-	481	(3,599)	(3,609)
Balance as at 1 January 2024 (as restated)	190,836	394,998	66	16,995	(23,665)	98,653	677,883
<i>Total comprehensive income (loss) for the year:</i>							
Profit for the year	-	-	-	-	-	6,686	6,686
Other comprehensive income (loss) for the year	-	17,466	(9)	1,125	4,872	266	23,720
Total	-	17,466	(9)	1,125	4,872	6,952	30,406
<i>Transactions with owners, recognised directly in equity:</i>							
Final dividends (Note 35)	-	-	-	-	-	(3,024)	(3,024)
Balance at 31 December 2024 (as restated)	190,836	412,464	57	18,120	(18,793)	102,581	705,265
Balance as at 1 January 2025 (as previously reported)	190,836	414,415	57	18,120	(19,152)	106,180	710,456
Restatement (Note 19)	-	(1,951)	-	-	359	(3,599)	(5,191)
Balance as at 1 January 2025 (as restated)	190,836	412,464	57	18,120	(18,793)	102,581	705,265
<i>Total comprehensive income (loss) for the year:</i>							
Profit for the year	-	-	-	-	-	10,035	10,035
Other comprehensive income (loss) for the year	-	21,099	(6)	1,642	6,928	170	29,833
Total	-	21,099	(6)	1,642	6,928	10,205	39,868
<i>Transactions with owners, recognised directly in equity:</i>							
Final dividends (Note 35)	-	-	-	-	-	(3,266)	(3,266)
Balance at 31 December 2025	190,836	433,563	51	19,762	(11,865)	109,520	741,867

STATEMENTS OF CHANGES IN EQUITY (cont'd)

Year ended 31 December 2025

The Company	Share capital	Asset revaluation reserve	Fair value reserve	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2024	190,836	227,608	14,660	54,195	487,299
Total comprehensive income (loss) for the year:					
Profit for the year	-	-	-	18,128	18,128
Other comprehensive income (loss) for the year	-	7,100	(249)	334	7,185
Total	-	7,100	(249)	18,462	25,313
<i>Transactions with owners, recognised directly in equity:</i>					
Final dividends (Note 35)	-	-	-	(3,024)	(3,024)
Balance at 31 December 2024	190,836	234,708	14,411	69,633	509,588
Total comprehensive income for the year:					
Profit for the year	-	-	-	2,833	2,833
Other comprehensive income for the year	-	6,700	1,051	-	7,751
Total	-	6,700	1,051	2,833	10,584
<i>Transactions with owners, recognised directly in equity:</i>					
Final dividends (Note 35)	-	-	-	(3,266)	(3,266)
Balance at 31 December 2025	190,836	241,408	15,462	69,200	516,906

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	The Group	
	2025	2024
	\$'000	\$'000
Operating activities		
Profit before income tax	13,321	9,860
Adjustments for:		
Allowance for doubtful receivables	159	3
Bad debts written off	35	-
Depreciation expense	7,375	7,079
Dividend income	(502)	(477)
Net fair value gain on financial assets at fair value through profit or loss	(225)	(71)
Loss on disposal of property, plant and equipment	12	102
Impairment loss (Write back of impairment loss) on property, plant and equipment	220	(1,267)
Net foreign exchange adjustment loss (gain)	402	(391)
Fair value gain on investment properties	(2,220)	(659)
Recognition of rental income on a straight-line basis over the lease term	71	24
Interest expense	5,824	7,538
Interest income	(355)	(327)
Operating cash flows before movements in working capital	24,117	21,414
Financial assets at fair value through profit or loss	1,331	(1,043)
Trade and other receivables	(2,131)	143
Inventories	(36)	119
Trade and other payables	1,098	(128)
Cash generated from operations	24,379	20,505
Dividend received	502	477
Interest paid	(5,824)	(7,538)
Interest received	355	327
Income tax paid	(2,087)	(2,417)
Net cash from operating activities	17,325	11,354
Investing activities		
Additions to investment properties	(1,009)	(275)
Additions to property, plant and equipment	(5,293)	(13,666)
Proceeds from disposal of financial assets held at fair value through other comprehensive income	1,939	1,514
Purchase of financial assets held at fair value through other comprehensive income	-	(670)
Proceeds from disposal of property, plant and equipment	378	53
Net cash used in investing activities	(3,985)	(13,044)
Financing activities		
Dividends paid	(3,266)	(3,024)
Proceeds from bank loans	138,866	12,035
Repayment of bank loans	(144,400)	(11,092)
Fixed deposits pledged to banks	-	287
Net cash used in financing activities	(8,800)	(1,794)
Net increase (decrease) in cash and cash equivalents	4,540	(3,484)
Cash and cash equivalents at beginning of year	17,809	20,724
Effect of currency exchange adjustment	258	569
Cash and cash equivalents at end of year (Note 6)	22,607	17,809

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

31 December 2025

1 GENERAL

The Company (Registration No. 196800298G) is incorporated in Singapore with its registered office and its principal place of business at 36 Newton Road, Singapore 307964. The financial statements are expressed in Singapore dollars, which is the functional currency of the Company.

The principal activity of the Company is that of a hotelier and investment holding. The principal activities of the subsidiaries are disclosed in Note 11.

On 2 December 1968, the Company was listed on the Main Board of Singapore Exchange Securities Trading Limited ("SGX-ST").

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended 31 December 2025 were authorised for issue by the board of directors on 18 March 2026.

2.1 BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The financial statements are expressed in Singapore dollars.

2.2 ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Group and the Company have applied all the new and revised SFRS(I) that are mandatorily effective for an accounting period that begins on or after 1 January 2025 and are relevant to its operations. The adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

STANDARDS ISSUED BUT NOT YET EFFECTIVE - At the date of authorisation of these financial statements, the following SFRS(I)s pronouncements that are relevant to the Group and the Company were issued but not effective:

Effective for annual periods beginning on or after 1 January 2026

- Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments
- Annual Improvements to SFRS(I)s—Volume 11

Effective for annual periods beginning on or after 1 January 2027

- SFRS(I) 18: Presentation and Disclosure in Financial Statements

Management anticipates that the adoption of the above SFRS(I)s, SFRS(I) INTs and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption, except for the following:

SFRS(I) 18 Presentation and Disclosures in Financial Statements

SFRS(I) 18 replaces SFRS(I) 1-1, carrying forward many of the requirements in SFRS(I) 1-1 unchanged and complementing them with new requirements. In addition, some SFRS(I) 1-1 paragraphs have been moved to SFRS(I) 1-8 and SFRS(I) 7. Furthermore, minor amendments to SFRS(I) 1-7 and SFRS(I) 1-33 Earnings per Share have been made.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

2.2 ADOPTION OF NEW AND REVISED STANDARDS (cont'd)

SFRS(I) 18 Presentation and Disclosures in Financial Statements (cont'd)

SFRS(I) 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements;
- improve aggregation and disaggregation presented in the financial statements and disclosed in the notes.

The Group and the Company is required to apply SFRS(I) 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to SFRS(I) 1-7 and SFRS(I) 1-33, as well as the revised SFRS(I) 1-8 and SFRS(I) 7, become effective when the Group and the Company applies SFRS(I) 18. SFRS(I) 18 requires retrospective application with specific transition provisions. The Group is evaluating the potential impact of SFRS(I) 18 and the related amendments on its financial statements.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

SUBSIDIARIES

Subsidiaries are entities controlled by the Group. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. Details of the Group's significant subsidiaries and composition of the Group are disclosed in Note 11.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with those of the Group. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Company's separate financial statements

Investments in subsidiaries in the Company's separate financial statements are carried at cost less accumulated impairment losses.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

The financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the respective group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION (cont'd)

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

Upon the disposal of the entire interest in a foreign operation during the year, all of the exchange differences accumulated in the foreign exchange translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of SFRS(I) 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 Inventories or value in use in SFRS(I) 1-36 Impairment of Assets.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Refer to Notes 4(vi), 7, 8, 13 and 14 for details of non-financial assets and financial instruments that are measured at fair value on basis described above or where such fair values are disclosed.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of financial assets (other than those at fair value through profit or loss). Transaction costs directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Classification of financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

The Group classifies its financial assets in the following measurement categories. The basis of classification and subsequent measurement of the financial assets are further described in the respective notes.

Measurement category	Description	Financial assets
Financial assets at amortised cost	Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI")	Cash and bank balances (Note 6) Trade and other receivables (Notes 9 and 10)
Equity instruments designated as at FVTOCI	On initial recognition of certain equity instruments that are not held for trading, the Group has made an irrevocable election (on an instrument-by-instrument basis) to present subsequent changes in the instruments' fair value in other comprehensive income	Quoted equity shares, unquoted equity shares and structured products (Note 8)
Financial assets at FVTPL	Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL	Quoted bonds, quoted managed funds (Note 7)

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 Business Combinations applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with SFRS(I) 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "revenue" line item in profit or loss.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

FINANCIAL INSTRUMENTS (cont'd)

Financial assets (cont'd)

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically, investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

Financial assets at FVTPL are measured at fair value at the end of each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss is included in the "other income" or "other expenses" line item and any dividend or interest earned on the financial asset is included in the "revenue" line item. Fair value is determined in the manner described in Note 4(d)(vi).

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other expenses" line item;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other expenses" line item; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the fair value reserve.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ('ECL') on trade receivables and other receivables that are measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset. The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. Details about the Group's credit risk management and impairment policies are disclosed in Note 4(d)(i).

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

FINANCIAL INSTRUMENTS (cont'd)

Financial liabilities and equity (cont'd)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade and other payables and borrowings. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

Financial guarantee contracts liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts liabilities are initially recognised at fair value and subsequently measured at the higher of the amount of the expected credit loss ('ECL') allowance calculated in accordance with SFRS(I) 9; and premium received less cumulative amortisation of the premium to date calculated on straight-line basis until maturity of the contract.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

INVENTORIES

Inventories comprising mainly hotel consumables are stated at the lower of cost (weighted average method) and net realisable value. Cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

CASH AND CASH EQUIVALENTS

Cash and bank balances comprise cash on hand and on-demand deposits which are subsequently measured at amortised cost.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses except for freehold land on which certain hotels are sited, which are stated at revalued amounts.

Revaluations of freehold hotel land is performed with sufficient regularity such that the carrying amounts do not differ materially from those which would be determined using fair values at the end of the reporting period.

Any revaluation increase arising on the revaluation of freehold hotel land is recognised in other comprehensive income and accumulated in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of freehold hotel land is charged to profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation increase of that asset.

Property, plant and equipment in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any accumulated impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs are capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

On subsequent sale or retirement of a revalued freehold hotel land, the attributable revaluation surplus remaining in the asset revaluation reserve is transferred directly to retained earnings.

Depreciation is charged so as to write off the cost of assets, other than freehold land, over their estimated useful lives, using the straight-line method except for linen, china glassware, silver and uniforms where the original expenditure has been written down to approximately one-half of the original cost and all subsequent purchases have been written off as replacements. The estimated useful lives are as follows:

	Number of years
Leasehold land	Over the remaining terms of the leases (92 to 96)
Hotel buildings	45 to 92
Building improvements - hotels	10 to 25
Plant and equipment	3 to 10

Depreciation is not provided on freehold land, which is recorded at fair value.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Fully depreciated assets still in use are retained in the financial statements.

A transfer from property, plant and equipment to investment properties is fair valued at the date of transfer and the difference between fair value and the previous carrying amount is accounted for as an asset revaluation surplus or deficit in equity. Increases in carrying amounts arising from revaluation, including exchange differences, are recognised in other comprehensive income, unless there was an impairment loss recognised for the same property in prior years and a portion of the increase is recognised in profit or loss to the extent of that impairment loss. Decreases are recognised in profit or loss for any decrease in excess of the amount included in the revaluation surplus for that property.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

INVESTMENT PROPERTIES

Investment properties are held to earn rental income and/or potential capital appreciation, including property under construction for such purposes, is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Professional valuations are obtained at least once a year. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

At each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. The grant income is presented under 'other income' line item.

LEASES

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment property.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group has applied where relevant, the practical expedient under SFRS(I) 16 that permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the Group's lease liabilities comprise mainly of fixed lease payments over the lease terms.

A right-of-use asset is initially measured at cost comprising the initial lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs and any restoration costs. The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are depreciated over the lease terms commencing from the date of the lease, and are tested for impairment in accordance with the policy similar to that adopted for property, plant and equipment as disclosed above.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

LEASES (cont'd)

The Group as lessee (cont'd)

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Lease liability is remeasured by discounting the revised lease payments using a revised discount rate when there is a change in the lease term upon exercising extension options not previously included in the determination of the lease term. A corresponding adjustment is made to the related right-of-use asset.

REVENUE RECOGNITION - The Group recognises revenue from the following major sources:

- Hotel; and
- Investment properties.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

Revenue from hotel operations

Revenue from operations of a hotel is recognised from the following major sources: room, carpark and spa services, and food and beverages.

Room revenue is recognised at a point in time when the services are rendered. This is also the point where the Group is entitled to payment.

Food and beverages revenue is recognised when control of the goods has transferred, being at the point in time when the food and beverages are consumed. This is also the point where the Group is entitled to payment.

Other hotel related revenue relating to carpark and spa services are recognised when the services are rendered to the customers. Payment is due immediately when the customer consumes the service.

Rental income

Rental income recognition is described above in lease accounting policy above.

Financial investment income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the right to receive payment is established.

Income from providing financial guarantee is recognised in profit or loss over the guarantee period on a straight line basis.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

BORROWING COSTS

Borrowing costs are recognised in profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the amortised cost of a financial liability.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, namely assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of these assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

EMPLOYEE LEAVE ENTITLEMENT

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

RETIREMENT BENEFIT COSTS

Payments to defined contribution retirement benefit plans are charged as an expense in profit or loss as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund and Malaysia Employee Provident Fund are dealt with as payments to defined contribution plans.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss as employee benefits expense. Curtailment gains or losses are accounted for as past service costs.

Subsidiaries in Thailand operate unfunded Retirement Benefit Schemes ("the Schemes") for their eligible employees. The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is reflected immediately with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement gains and losses are recognised in other comprehensive income and accumulated in employee benefit reserve. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plan.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

INCOME TAX

Income tax expense represents the sum of current and deferred tax. It is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax payable represents the amount expected to be paid to taxation authorities on taxable profit for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous periods. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects the uncertainty related to income taxes.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill; or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for deductible temporary differences associated with such investments and interests only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Except for investment properties that are measured using the fair value model, the measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Offsetting

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same taxation authority.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Group's material accounting policy information, which are described in Note 2 above, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying material accounting policies

Management is of the opinion that any instances of application of judgements are not expected to have a significant effect on the amounts recognised in the financial statements (apart from those involving estimates which are dealt with below).

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of specific assets and liabilities within the next financial year, are discussed below.

Freehold hotel land and investment properties at revalued amounts (Notes 13 and 14)

The Group's freehold land on which the hotels are sited and investment properties are stated at fair values based on valuations carried out by independent external valuations. These valuations involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied.

The valuation methodologies for the Group's investment properties include the direct comparison method, income capitalisation method and/or discounted cash flow method, which involve estimates such as the capitalisation rate, discount rate and values per square metre referenced to comparable properties taking into consideration for factors such as location, size, tenure and accessibility.

Certain freehold land of the Group are valued using the direct comparison approach and the key inputs involved are values per square metre or contract rate per room referenced to comparable properties taking into consideration for factors such as location, size, tenure and accessibility.

Other freehold land are valued using the residual method for land, where the value of the land is estimated after deducting depreciated replacement cost of the hotel building from the value of the whole property - land and hotel. The income capitalisation approach and direct comparison approach are used by the valuer to estimate the value of each whole property. The value of the whole property involves key estimation inputs such as the capitalisation rate, discount rate and values per square metre or contract rate per room referenced to comparable properties, taking into consideration for differences such as location, size and tenure.

Management has exercised their judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Information relating to the carrying amounts, valuation methodologies and inputs used in determining the fair value of the freehold land and investment properties are disclosed in Note 13 and Note 14 to the financial statements.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Key sources of estimation uncertainty (cont'd)

Impairment assessment for leasehold land, hotel building and building improvements ("leasehold land and hotel buildings")

The Group assess annually whether leasehold land and hotel buildings have any indication of impairment in accordance with its accounting policy. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the recoverable amount of the leasehold land and hotel buildings, management has sought guidance from the valuations performed by independent external valuers to estimate the recoverable amounts and the impairment loss or reversal required, and this involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied, including whether these are reflective current market conditions.

Leasehold land are valued using the direct comparison approach and the key inputs are values per square metre referenced to comparable properties, taking into consideration for differences such as location, size, and tenure.

Underlying the valuations for hotel buildings are key estimation inputs such as depreciated replacement cost per room, room rate per day, occupancy rate, discount rate and capitalisation rate.

Based on the assessment, impairment loss of \$220,000 (2024 : write back of impairment loss of \$1,267,000) has been recognised for leasehold land and hotel buildings. The determination of recoverable amounts involves estimations relating to projected earnings, occupancy rates and revenue per room. Any change in such projections and estimates can result in changes to the impairment loss or reversal in future periods. The carrying amounts of leasehold land and hotel buildings at the end of the reporting period are disclosed in Note 13 to the financial statements.

Recoverable amount of investments in subsidiaries in the Company's statement of financial position

Management has evaluated whether there is any indication of impairment by considering both internal and external sources of information, performance of the subsidiaries and the market conditions in which the subsidiaries operate in. In performing the assessments, management has also considered the financials of the entities and the approximate fair value of the underlying assets of the individual subsidiary. The carrying amount and impairment loss for subsidiaries as at year end are disclosed in Note 11.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	The Group		The Company	
	31 December 2025 \$'000	31 December 2024 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
Financial assets				
Financial assets at amortised cost	29,618	22,962	3,500	4,146
Financial assets designated as at FVTPL	5,105	6,493	2,752	3,900
Equity instruments designated as at FVTOCI	24,463	24,590	16,616	15,564
Financial liabilities				
Financial liabilities at amortised cost	170,855	173,043	95,237	91,705
Financial guarantee	-	-	2,580	3,215

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(b) *Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements*

The Group and the Company do not have financial instruments which are subject to enforceable master netting arrangements or similar netting agreements.

(c) *Financial risk management policies and objectives*

The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group arising from exposure to financial risks such as changes in foreign currency exchange rates, interest rates and equity prices. There has been no change to the Group's exposure to financial risks or the manner in which it manages and measures the risks.

The respective investments in financial assets at FVTPL or FVTOCI as disclosed in Notes 7 and 8 are subject to a variety of financial risks, including credit risk of counterparties, liquidity risk, interest rate risk, foreign currency risk, and other market risks related to prices of equity. The Group engages professional investment managers from banks to manage the risks and returns from certain financial investments classified as held for trading. All investment accounts opened with professional investment managers from banks are approved by the board of directors. Investment managers from the banks are given discretionary powers to make investment decisions on behalf of management based on specified guidelines for managed funds.

(d) *Exposure to financial risks*

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses ('ECL')
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

NOTES TO FINANCIAL STATEMENTS (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(i) Credit risk management (cont'd)

The tables below detail the credit quality of the Group's financial assets, as well as maximum exposure to credit risk by credit risk rating grades:

Group	Notes	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
<u>31 December 2025</u>						
Trade receivables	9	(i)	Lifetime ECL (simplified approach)	3,003	(293)	2,710
Other receivables and refundable deposits	10, 12	Performing	12-month ECL	2,478	-	2,478
					<u>(293)</u>	
<u>31 December 2024</u>						
Trade receivables	9	(i)	Lifetime ECL (simplified approach)	2,433	(125)	2,308
Other receivables and refundable deposits	10, 12	Performing	12-month ECL	1,101	-	1,101
					<u>(125)</u>	
Company						
<u>31 December 2025</u>						
Trade receivables	9	(i)	Lifetime ECL (simplified approach)	423	-	423
Other receivables and refundable deposits	10	Performing	12-month ECL	295	-	295
					<u>-</u>	
<u>31 December 2024</u>						
Trade receivables	9	(i)	Lifetime ECL (simplified approach)	292	-	292
Other receivables and refundable deposits	10	Performing	12-month ECL	271	-	271
					<u>-</u>	

- (i) For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items with reference to historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(i) Credit risk management (cont'd)

In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information and its own trading records to assess the credit rating and rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Before accepting any new customer, management assesses the potential customer's credit quality and defines credit limits by customer. The review of customer credit limits is conducted annually. There is no single customer who accounts for 10% or more of the Group's trade receivables.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Group reviews the recoverable amount of each trade debt on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group's credit risk is primarily attributable to its cash and bank balances, trade and other receivables. Cash and fixed deposits (Note 6) are in the custody of creditworthy financial institutions. Trade receivables are largely from credit card companies, tour agencies, regular corporate clients, hotels and tenants at the properties of the Group. Deposits may be collected to mitigate the credit risks.

The Group has no significant concentration of credit risk.

The carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for losses represent the Group's maximum exposure to credit risk.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

(ii) Interest rate risk management

The Group is exposed to interest rate risk through the impact of rate changes on its interest-bearing liabilities and assets. Information on variable interest rate instruments are in section (v) below, and in Notes 15 and 18.

Interest rate sensitivity

The sensitivity analysis below is based on the exposure to variable interest rates for financial assets and financial liabilities at the end of the reporting period.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's profit would decrease/increase by approximately \$0.80 million (2024 : \$0.81 million).

The above analysis excludes the effects that changes in interest rates would have on the fair value of fixed rate bonds, fixed income funds and money market funds. Generally, increases and decreases in interest rates will have inverse impact on the fair value of investments which have fixed interest rates.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(iii) Foreign currency risk management

At the reporting date, the carrying amounts of significant financial assets denominated in currencies other than the functional currency of the respective entities in the Group are as follows:

	The Group		The Company	
	Assets		Assets	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
United States dollar	9,733	11,097	1,459	3,617
Euro	854	706	-	-
Malaysian ringgit	167	189	-	-
Hong Kong dollar	62	-	62	-

The above amounts include balances of subsidiaries which are eliminated on consolidation in the statement of financial position but will continue to contribute to foreign currency exposures in the statement of profit or loss and other comprehensive income.

There are no significant financial liabilities denominated in currencies other than the functional currency of the respective entities.

Foreign currency sensitivity

The following table details the sensitivity to a 5% increase and decrease in the relevant foreign currencies against the functional currency of each entity in the Group using the monetary amounts denominated in foreign currency at the period.

If the relevant foreign currency strengthens or weakens by 5% against the functional currency of each Group entity:

(a) Profit will increase or decrease respectively by approximately:

	The Group	
	2025	2024
	\$'000	\$'000
Impact arising from		
United States dollar	293	341
Hong Kong dollar	3	-

(b) Other comprehensive income will increase or decrease respectively by approximately:

	The Group	
	2025	2024
	\$'000	\$'000
Impact arising from		
United States dollar	194	214
Euro	43	35
Malaysian ringgit	8	9

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(iii) Foreign currency risk management (cont'd)

Changes in exchange rates of other currencies do not have a significant effect on profit or loss, and other comprehensive income.

Additionally, the Group is exposed to currency translation risk arising from net assets of subsidiaries operating in Malaysia, New Zealand and Thailand which are denominated in their respective domestic currencies and are also their respective functional currencies.

At the end of the year, net assets in the following countries, expressed as a percentage of net assets of the Group were as follows:

	The Group	
	2025	2024
	%	%
Malaysia	21	20
New Zealand	8	8
Thailand	11	11

(iv) Equity price risk management

The Group is exposed to equity risks arising from equity investments at FVTPL and at FVTOCI. Equity investments measured at FVTOCI are held for strategic rather than trading purposes. The Group does not actively trade such investments.

Further details of these equity investments can be found in Notes 7 and 8.

Equity price sensitivity

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 10% higher/lower and all other variables were held constant:

- The Group's and the Company's profit for the year would increase/decrease by \$0.5 million and \$0.3 million (2024 : \$0.6 million and \$0.4 million) as a result of the changes in fair value of the investments in quoted bonds and quoted managed funds; and
- The Group's and the Company's other comprehensive income for the year would increase/decrease by \$2.4 million and \$1.7 million (2024 : \$2.5 million and \$1.6 million) respectively, as a result of the changes in fair value of the investments in equity instruments.

The methods and assumptions used in preparing the sensitivity analysis above have not changed significantly from the prior year.

(v) Liquidity risk management

At the end of the year, the Group and the Company have unutilised credit facilities totaling \$145.6 million (2024 : \$147.4 million) and \$89.2 million (2024 : \$91.5 million) respectively.

From time to time, management evaluates the tenure of credit facilities. The management has assessed that both the Company and the Group have adequate resources to discharge obligations as and when they fall due.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) *Exposure to financial risks (cont'd)*

(v) *Liquidity risk management (cont'd)*

Liquidity and interest risk analyses

Financial liabilities

The following table details the remaining contractual maturity for financial liabilities. The undiscounted cash flows of financial liabilities stated below are based on the earliest date on which the Group and Company can be required to pay interest and principal cash flows. The adjustment column represents future interest which is not included in the carrying amounts of the financial liabilities in the statements of financial position.

Weighted average effective interest rate		On demand or within 1 year		Within 2 to 5 years		More than 5 years		Adjustment		Total	
2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
%	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
p.a.	p.a.										

Financial liabilities

The Group

Non-interest bearing	-	-	11,521	10,311	84	37	-	-	-	-	11,605	10,348
Variable interest rate instruments	3.46	4.72	8,591	10,980	139,185	149,301	35,779	38,645	(24,305)	(36,231)	159,250	162,695
			20,112	21,291	139,269	149,338	35,779	38,645	(24,305)	(36,231)	170,855	173,043

The Company

Non-interest bearing	-	-	4,135	3,109	2,030	3,550	-	-	-	-	6,165	6,659
Variable interest rate instruments	1.57	2.40	2,545	4,629	95,619	97,415	-	-	(6,512)	(13,783)	91,652	88,261
			6,680	7,738	97,649	100,965	-	-	(6,512)	(13,783)	97,817	94,920

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) *Exposure to financial risks (cont'd)*

(v) *Liquidity risk management (cont'd)*

Liquidity and interest risk analyses (cont'd)

Financial assets

The following table details the expected maturity for financial assets. The amounts are based on the contractual maturities of the financial assets including future interest that will be earned on those assets except where the Group and the Company anticipates that the cash flow will occur in a different period. The adjustment column represents future interest which is not included in the carrying amounts of the financial assets on the statements of financial position.

Weighted average effective interest rate		On demand or within 1 year		Within 2 to 5 years		Adjustment		Total	
2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
% p.a.	% p.a.	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

Financial assets

The Group

Non-interest bearing	-	-	34,247	30,884	21,122	19,500	-	-	55,369	50,384
Fixed interest rate instruments	2.23	2.76	3,899	3,759	-	-	(82)	(98)	3,817	3,661
			<u>38,146</u>	<u>34,643</u>	<u>21,122</u>	<u>19,500</u>	<u>(82)</u>	<u>(98)</u>	<u>59,186</u>	<u>54,045</u>

The Company

Non-interest bearing	-	-	<u>6,473</u>	<u>8,224</u>	<u>16,395</u>	<u>15,386</u>	-	-	<u>22,868</u>	<u>23,610</u>
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(vi) *Fair value of financial assets and financial liabilities*

The Group and the Company determines fair values of financial assets and financial liabilities in the following manner:

(a) *Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)*

The carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values due to the relatively short-term maturity of these financial instruments. The carrying amounts of long-term borrowings approximate their fair values as interest rates float with market rates.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) *Exposure to financial risks (cont'd)*

(vi) *Fair value of financial assets and financial liabilities (cont'd)*

(b) *Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis*

The following financial assets are measured at fair value at the end of each reporting period. Fair values belong to the following levels in the fair value hierarchy.

	Level 1		Level 2		Level 3	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
The Group						
Financial assets at fair value through profit or loss:						
- Quoted bonds	1,883	2,488	-	-	-	-
- Quoted managed funds	1,561	1,200	-	-	-	-
- Structured products	470	454	385	1,204	-	-
- Hedge funds	-	-	806	1,147	-	-
Financial assets at fair value through other comprehensive income:						
- Quoted equity shares	8,667	9,711	-	-	-	-
- Unquoted equity shares	-	-	-	-	15,796	14,879

The Company

Financial assets at fair value through profit or loss:						
- Quoted bonds	-	349	-	-	-	-
- Quoted managed funds	1,561	1,200	-	-	-	-
- Structured products	-	-	385	1,204	-	-
- Hedge funds	-	-	806	1,147	-	-
Financial assets at fair value through other comprehensive income:						
- Quoted equity shares	820	685	-	-	-	-
- Unquoted equity shares	-	-	-	-	15,796	14,879

Fair values of investments classified as Level 1 of the fair value hierarchy are based on publicly available quoted prices. Level 3 investments are measured based on net assets of the unquoted funds as provided by the fund managers and measured based on adjusted net assets of the unquoted equity shares. There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy during the current or prior year.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) *Exposure to financial risks (cont'd)*

(vi) *Fair value of financial assets and financial liabilities (cont'd)*

(b) *Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (cont'd)*

Reconciliation of Level 3 fair value measurement:

	Financial assets at FVTOCI (Equity shares) 2025 \$'000	Financial assets at FVTOCI (Equity shares) 2024 \$'000
<u>The Group</u>		
Opening balance	14,879	14,989
Total gains or loss:		
- In other comprehensive income (loss)	917	(110)
Closing balance	<u>15,796</u>	<u>14,879</u>
<u>The Company</u>		
Opening balance	14,879	14,989
Total gains or loss:		
- In other comprehensive income (loss)	917	(110)
Closing balance	<u>15,796</u>	<u>14,879</u>

The gains and losses included in other comprehensive income relate to investments designated at FVTOCI held at the end of the reporting period and are reported as changes of "fair value reserves".

(e) *Capital management policies and objectives*

The Group's overall strategy for managing capital remains unchanged from prior year. Capital of the Group is managed to ensure that entities in the Group will be able to continue as going concern and returns to stakeholders are optimised through a mix of equity, short-term and long-term debts.

The capital structure of the Group consists of equity comprising share capital (Note 20), reserves and retained earnings, and debts which comprise bank loans (Notes 15 and 18).

Management reviews the capital structure at least once a year, taking into consideration the cost of capital, the risks and tenure associated with each class of capital.

Information on aggregate debts (comprising bank borrowings) as a ratio of total assets and equity are as follows:

	The Group	
	2025	2024
	\$'000	\$'000
Total debts	159,250	162,695
Total assets	935,771	898,325
Total equity	<u>741,867</u>	<u>705,265</u>
Debt-to-total assets ratio	17%	18%
Debt-to-total equity ratio	<u>21%</u>	<u>23%</u>

NOTES TO FINANCIAL STATEMENTS (Cont'd)

5 RELATED PARTY TRANSACTIONS

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	The Group	
	2025	2024
	\$'000	\$'000
Short-term benefits	1,597	1,309
Post-employment benefits	97	81
	1,694	1,390

The remuneration of directors and key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

Other related party transactions comprise:

	The Group	
	2025	2024
	\$'000	\$'000
Fees paid to a medical practice owned by a director	-	7
Commission paid to a related party for property management services *	17	17
Rental income from a related party *	-	9
Commission received from a related party for property management services *	3	3
Disposal of plant and equipment to a related party*	-	19

* Entities in which certain directors of the Company have equity interest, hold significant influence and/or are key management personnel of the entities.

6 CASH AND BANK BALANCES

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cash on hand	124	188	28	37
Cash at bank	20,489	15,710	2,754	3,546
Fixed deposits	3,817	3,661	-	-
Total	24,430	19,559	2,782	3,583
Less: Fixed deposits pledged	(1,823)	(1,750)	-	-
Cash and cash equivalents in statement of cash flows	22,607	17,809	2,782	3,583

Fixed deposits of a subsidiary are pledged for loan facilities (Note 18).

The Group's fixed deposits earn interest ranging from 1.13% to 2.75% (2024 : 2.30% to 3.30%) per annum respectively. The tenor for these fixed deposits are generally less than 3 months except for pledged deposits which is for up to 365 days.

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Quoted bonds	1,883	2,488	-	349
Quoted managed funds	1,561	1,200	1,561	1,200
Structured products	855	1,658	385	1,204
Hedge funds	806	1,147	806	1,147
	5,105	6,493	2,752	3,900

The investments in quoted bonds and quoted managed funds offer the Group the opportunity for return through dividend income and fair value gains. The fair values of these securities are based on closing quoted market prices on the last market day of the financial year.

Changes in the fair value of financial assets at fair value through profit or loss, amounting to net gain of \$225,000 (2024 : \$71,000) have been included in profit or loss for the year as part of "other income".

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current assets				
Quoted equity shares	3,418	5,166	221	178
Non-current assets				
Quoted equity shares	5,249	4,545	599	507
Unquoted equity shares	15,796	14,879	15,796	14,879
	21,045	19,424	16,395	15,386
Total	24,463	24,590	16,616	15,564

The investments above offer the Group the opportunity for return through dividend income and fair value gains. These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, management has elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

The financial assets held at fair value through other comprehensive income presented as current assets are those held in investment accounts managed on behalf of the Group by professional fund managers and are subject to changes in components of investments within the portfolio. The financial assets held at fair value through other comprehensive income presented as non-current assets are those managed directly by the Group and are held for long-term investments.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

9 TRADE RECEIVABLES

	The Group		The Company	
	31 December 2025 \$'000	31 December 2024 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
Trade receivables	2,990	2,414	423	292
Related parties ⁽¹⁾	13	19	-	-
Total	3,003	2,433	423	292
Less: Loss allowance	(293)	(125)	-	-
	2,710	2,308	423	292

(1) Entities in which certain directors of the Company have equity interest, hold significant influence and/or are key management personnel of the entities.

The credit period granted to customers is generally 30 days (2024 : 30 days). No interest is charged on the outstanding trade receivables.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses ('ECL'). The Group has recognised a loss allowance of 100% against all receivables over a year past due because historical experience has indicated that these receivables are generally not recoverable. Note 4(d)(i) includes details on the credit risk management of the Group.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

The Group and the Company's age of receivables past due but not impaired amounted to \$1.46 million and \$0.3 million (31 December 2024 : \$0.8 million and \$0.03 million) respectively and ranges from 31 to 90 days (31 December 2024 : 31 to 90 days). The Group and the Company's allowance of \$293,000 and \$Nil (31 December 2024 : \$125,000 and \$Nil) respectively had been provided against receivables that are past due.

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in SFRS(I) 9:

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance at beginning of the year	125	118	-	-
Loss allowance recognised in profit or loss during the year:				
- Assets originated	159	3	-	-
- Exchange adjustment	9	4	-	-
	293	125	-	-

10 OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Outside parties	144	92	10	-
Refundable deposits	2,257	933	273	271
Subsidiary	-	-	12	-
Prepaid expenses	619	895	155	154
	3,020	1,920	450	425

The amount owing by a subsidiary arose mainly from payment on behalf which are interest free and repayable on demand.

For purpose of impairment assessment, other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses ('ECL').

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. Management has determined the credit loss to be insignificant.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

11 SUBSIDIARIES

	The Company	
	2025	2024
	\$'000	\$'000
Unquoted equity shares - at cost	230,214	230,214
Funds provided to subsidiaries	39,955	37,787
Less: Impairment loss	(111)	(111)
	39,844	37,676
Deemed investment in subsidiaries arising from fair value of corporate guarantees given to banks which extended credit facilities to the subsidiaries	16,532	16,532
Less: Impairment loss	(1,404)	(1,404)
	15,128	15,128
	285,186	283,018

Movement of impairment loss:

	The Company	
	2025	2024
	\$'000	\$'000
Balance at beginning of the year	1,515	15,541
Reversal of impairment recognised in profit or loss	-	(14,026)
Balance at end of the year	1,515	1,515

NOTES TO FINANCIAL STATEMENTS (Cont'd)

11 SUBSIDIARIES (cont'd)

In 2024, the Company converted an amount due from a subsidiary of \$20.1 million into consideration for additional investment in the subsidiary by way of issuance of shares.

During the year 2024, based on management's assessment, a reversal of impairment of \$14.0 million was made in respect of the Company's investments in certain subsidiaries. The recoverable amounts assessed by management takes into account the carrying amount of the relevant subsidiaries' audited net assets, adjusted for any revaluation changes of the hotel land and/or building of the subsidiary which is not included in the subsidiary's accounts or which approximates recoverable amount at the end of the reporting period. In 2025, based on management's assessment, no additional impairment is required.

The details of the Company's subsidiaries are as follows:

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2025	2024	2025	2024	
		%	%	%	%	
Royal Properties Investment Pte Ltd	Singapore	100	100	100	100	Investment in properties and subsidiaries.
Royal Capital Pte Ltd	Singapore	100	100	100	100	Investment in financial assets.
Castle Mall Properties Pte Ltd ⁽¹⁾ (wholly owned subsidiary of Royal Properties Investment Pte Ltd)	Singapore	-	100	-	100	Dormant.
Hotel Royal @ Queens (Singapore) Pte Ltd (wholly owned subsidiary of Royal Properties Investment Pte Ltd)	Singapore	100	100	100	100	Owns and manages a hotel.
Hotel Royal (Thailand) Private Limited	Singapore	100	100	100	100	Investment in subsidiaries.
Prestige Properties Sdn. Bhd. ⁽²⁾	Malaysia	100	100	100	100	Investment in subsidiaries.
Faber Kompleks Sdn. Bhd. ⁽²⁾ (wholly owned subsidiary of Prestige Properties Sdn. Bhd.)	Malaysia	100	100	100	100	Owns and manages a hotel and commercial properties.
Premium Lodge Sdn. Bhd. ⁽²⁾ (wholly owned subsidiary of Prestige Properties Sdn. Bhd.)	Malaysia	100	100	100	100	Owns and manages a hotel.
Baba Residences Sdn. Bhd. ⁽²⁾ (wholly owned subsidiary of Prestige Properties Sdn. Bhd.)	Malaysia	100	100	100	100	Owns and manages a hotel.

11 SUBSIDIARIES (cont'd)

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2025	2024	2025	2024	
		%	%	%	%	
Every Room A Home Sdn. Bhd. ⁽²⁾ (wholly owned subsidiary of Prestige Properties Sdn. Bhd.)	Malaysia	100	100	100	100	Owns and manages a hotel.
Grand Complex Properties Ltd ⁽²⁾ (wholly owned subsidiary of Royal Properties Investment Pte Ltd)	New Zealand	100	100	100	100	Investment in commercial properties.
Hotel Royal Bangkok (Thailand) Co., Ltd ⁽²⁾⁽³⁾ (shares held by Hotel Royal (Thailand) Private Limited)	Thailand	40	40	87	87	Owns and manages a hotel.
Excellent Hotel (Thailand) Co., Ltd. ⁽²⁾⁽⁴⁾ (shares held by Hotel Royal (Thailand) Private Limited)	Thailand	49	49	91	91	Investment in subsidiary.
Panali Co., Ltd. ⁽²⁾⁽⁵⁾	Thailand	74	74	100	100	Owns a hotel.

(1) Struck off from the Register of Companies pursuant to Section 344A of the Companies Act 1967 of Singapore on 29 May 2025.

(2) Audited by overseas practices of Deloitte Touche Tohmatsu Limited. All other subsidiaries are audited by Deloitte & Touche LLP, Singapore.

(3) Hotel Royal (Thailand) Private Limited (a wholly-owned subsidiary in the Group) holds 40% of all shares in Hotel Royal Bangkok (Thailand) Co., Ltd and controls 87% of all votes exercisable by shareholders of Hotel Royal Bangkok (Thailand) Co., Ltd. The Articles of Association of Hotel Royal Bangkok (Thailand) Co., Ltd specifies that Hotel Royal (Thailand) Private Limited is responsible for all liabilities, assets and retained earnings of Hotel Royal Bangkok (Thailand) Co., Ltd. The consolidated financial statements of the Group thus includes all liabilities, assets and retained earnings of Hotel Royal Bangkok (Thailand) Co., Ltd.

(4) Hotel Royal (Thailand) Private Limited (a wholly-owned subsidiary in the Group) holds 49% of all shares in Excellent Hotel (Thailand) Co., Ltd and controls 91% of all votes exercisable by shareholders of Excellent Hotel (Thailand) Co., Ltd. The Articles of Association of Excellent Hotel (Thailand) Co., Ltd specifies that Hotel Royal (Thailand) Private Limited is responsible for all liabilities, assets and retained earnings of Excellent Hotel (Thailand) Co., Ltd. The consolidated financial statements of the Group thus includes all liabilities, assets and retained earnings of Excellent Hotel (Thailand) Co., Ltd.

(5) The Company's subsidiaries, Hotel Royal (Thailand) Private Limited and Excellent Hotel (Thailand) Co., Ltd hold an aggregate of 100% of the equity shares of Panali Co., Ltd.

The amounts owing by subsidiaries to the Company are unsecured and are not expected to be repaid within the next 12 months from the end of the reporting date. The outstanding amount includes \$38.5 million (2024 : \$35.2 million) which has a term of 5 years with an automatic renewal clause commencing from 1 January 2024, and bear floating interest rates ranging from 1.89% to 3.74% (2024 : 3.83% to 4.68%) per annum.

The Company undertakes to provide financial support to certain subsidiaries with net current liabilities positions to ensure that subsidiaries can meet their contractual obligations when they fall due.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

12 OTHER ASSETS

	The Group		The Company	
	31 December 2025 \$'000	31 December 2024 \$'000	31 December 2025 \$'000	31 December 2024 \$'000
Lease incentives	8	16	8	10
Less: Current portion included in trade receivables	-	(6)	-	-
Non-current portion of lease incentives	8	10	8	10
Deposits	77	76	-	-
Prepaid expenses	1,346	830	492	216
	1,431	916	500	226

Lease incentives refer to non-cash incentives provided to tenants for entering into rental agreements for properties owned by the Group. The incentives are recognised as a reduction of rental income over the lease term on a straight-line basis.

Prepaid expenses are pertaining to downpayment for replacement of plant and equipment.

13 PROPERTY, PLANT AND EQUIPMENT

	Freehold land - hotels	Leasehold land	Hotel buildings	Building improvements - hotels	Plant and equipment	Linen, china glassware, silver and uniform	Construction in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group								
Cost or valuation:								
As at 1 January 2024	512,125	2,125	142,684	82,605	34,271	995	45	774,850
Additions	-	-	168	8,000	3,942	-	1,556	13,666
Disposals	-	-	-	(685)	(1,953)	-	-	(2,638)
Reclassification*	-	-	16,425	(14,975)	54	-	(1,504)	-
Revaluation surplus	18,977	-	-	-	-	-	-	18,977
Exchange adjustment	5,078	126	5,876	1,503	1,580	24	6	14,193
As at 31 December 2024	536,180	2,251	165,153	76,448	37,894	1,019	103	819,048
Additions	-	-	571	2,096	1,655	-	971	5,293
Disposals	-	-	(372)	(55)	(709)	-	-	(1,136)
Reclassification*	-	-	-	43	(616)	573	-	-
Reclassification to investment properties	(12,482)	-	(21,544)	(3,350)	-	-	-	(37,376)
Revaluation surplus	10,324	-	11,296	715	-	-	-	22,335
Exchange adjustment	3,512	94	4,373	997	1,226	40	26	10,268
As at 31 December 2025	537,534	2,345	159,477	76,894	39,450	1,632	1,100	818,432
Comprising:								
31 December 2025								
At valuation	537,534	-	-	-	-	-	-	537,534
At cost	-	2,345	159,477	76,894	39,450	1,632	1,100	280,898
Total	537,534	2,345	159,477	76,894	39,450	1,632	1,100	818,432
31 December 2024								
At valuation	536,180	-	-	-	-	-	-	536,180
At cost	-	2,251	165,153	76,448	37,894	1,019	103	282,868
Total	536,180	2,251	165,153	76,448	37,894	1,019	103	819,048

* Reclassifications have been made to conform with the Group's presentation.

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land - hotels	Leasehold land	Hotel buildings	Building improvements - hotels	Plant and equipment	Linen, china glassware, silver and uniform	Construction in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group								
Accumulated depreciation:								
As at 1 January 2024	-	182	29,847	41,755	20,873	540	-	93,197
Charge for the year	-	27	2,564	2,055	2,424	9	-	7,079
Disposals	-	-	-	(563)	(1,920)	-	-	(2,483)
Reclassification	-	-	78	(131)	53	-	-	-
Exchange adjustment	-	13	711	323	782	14	-	1,843
As at 31 December 2024	-	222	33,200	43,439	22,212	563	-	99,636
Charge for the year	-	30	2,700	2,035	2,610	-	-	7,375
Disposals	-	-	-	(48)	(698)	-	-	(746)
Reclassification	-	-	-	-	(53)	53	-	-
Reclassification to investment properties	-	-	(3,045)	(2,179)	-	-	-	(5,224)
Exchange adjustment	-	9	529	205	702	15	-	1,460
As at 31 December 2025	-	261	33,384	43,452	24,773	631	-	102,501
Accumulated impairment loss:								
As at 1 January 2024	-	-	2,190	6,878	59	114	-	9,241
(Reversal of) Additions of impairment loss	-	-	(448)	(866)	53	(6)	-	(1,267)
Exchange adjustment	-	-	63	206	4	4	-	277
As at 31 December 2024	-	-	1,805	6,218	116	112	-	8,251
Additions of impairment loss	-	-	-	220	-	-	-	220
Exchange adjustment	-	-	51	184	5	2	-	242
As at 31 December 2025	-	-	1,856	6,622	121	114	-	8,713
Carrying amount:								
As at 31 December 2025	537,534	2,084	124,237	26,820	14,556	887	1,100	707,218
As at 31 December 2024	536,180	2,029	130,148	26,791	15,566	344	103	711,161

NOTES TO FINANCIAL STATEMENTS (Cont'd)

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land - hotels \$'000	Hotel buildings \$'000	Building improvements - hotels \$'000	Plant and equipment \$'000	Linen, china glassware, silver and uniform \$'000	Total \$'000
The Company						
Cost or valuation:						
As at 1 January 2024	249,500	7,985	26,766	2,419	398	287,068
Additions	-	-	2,765	226	-	2,991
Disposals	-	-	-	(832)	-	(832)
Revaluation surplus	7,100	-	-	-	-	7,100
As at 31 December 2024	256,600	7,985	29,531	1,813	398	296,327
Additions	-	-	1,510	384	-	1,894
Disposals	-	-	(2)	(73)	-	(75)
Reclassification	-	-	-	-	-	-
Revaluation surplus	6,700	-	-	-	-	6,700
As at 31 December 2025	263,300	7,985	31,039	2,124	398	304,846
Comprising:						
31 December 2025						
At valuation	263,300	-	-	-	-	263,300
At cost	-	7,985	31,039	2,124	398	41,546
Total	263,300	7,985	31,039	2,124	398	304,846
31 December 2024						
At valuation	256,600	-	-	-	-	256,600
At cost	-	7,985	29,531	1,813	398	39,727
Total	256,600	7,985	29,531	1,813	398	296,327
Accumulated depreciation:						
As at 1 January 2024	-	7,264	24,805	2,061	217	34,347
Charge for the year	-	28	796	99	-	923
Disposals	-	-	-	(812)	-	(812)
As at 31 December 2024	-	7,292	25,601	1,348	217	34,458
Charge for the year	-	27	827	130	-	984
Disposals	-	-	-	(69)	-	(69)
As at 31 December 2025	-	7,319	26,428	1,409	217	35,373
Carrying amount:						
As at 31 December 2025	263,300	666	4,611	715	181	269,473
As at 31 December 2024	256,600	693	3,930	465	181	261,869

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. The right-of-use asset relating to leasehold land is presented under property, plant and equipment.

Property, plant and equipment of the Group and the Company with carrying amounts of \$632.0 million and \$268.6 million (2024 : \$637.1 million and \$261.2 million) respectively are pledged as securities for the Group's and the Company's bank loans as disclosed in Notes 15 and 18.

During the current financial year, the Group transferred hotel land and building located in Penang, Malaysia from property, plant and equipment to investment properties, following a change in intended use of the property to generate rental income. The assets were measured at fair value at the date of transfer. The excess of the fair value of \$32.15 million over the carrying amount of \$20.1 million, amounting to \$12.01 million, has been recognised in other comprehensive income. Subsequent to the reporting date, the Group entered into a lease agreement with a third party in January 2026 in respect of hotel land and building. The lease is for an initial term of five years, with an option to renew for up to three additional terms of 5 years each.

During the year, the Group carried out a review of the recoverable amount of its property, plant and equipment. The review led to an additional impairment loss of \$0.22 million (2024 : reversal of impairment loss of \$1.267 million) based on recoverable amount by reference to the valuation performed by independent appraisers as at 31 December 2025 and 31 December 2024 as disclosed in Note 3. An additional impairment loss was recognised in the current year, primarily driven by a downward fair value adjustment of certain hotel buildings. The impairment losses reversed in 2024 mainly arose from the improved trading performances of certain hotel properties, following the progressive recovery of the hospitality sector in the countries in which these hotels are located.

Fair value measurement of freehold land

Revaluation increase/decrease is recognised only for freehold hotel land in accordance with the Group's accounting policies.

The Group engaged independent professional valuers who have the appropriate qualification and recent experience in such fair value measurement, to assist management in assessing the fair values of freehold land. Information relating to significant estimates involved in valuation of freehold land are provided in Note 3.

Based on the valuation, revaluation gain amounting to \$10.3 million (2024 : \$18.9 million) and \$6.7 million (2024 : \$7.1 million) for the Group and Company respectively, was recognised in other comprehensive income. Revaluation loss, if any, will be charged against the asset revaluation reserve to the extent that the decrease did not exceed the amount held in the asset revaluation reserve of the same freehold land.

The estimated fair values as at the end of each reporting period of the Group's freehold land are as follows:

	2025	2024
	\$'000	\$'000
The Group		
Freehold land:		
- Singapore	436,100	423,700
- Malaysia	48,954	59,048
- Thailand	52,480	53,432
	<hr/>	<hr/>
The Company		
Freehold land	<hr/>	<hr/>
	263,300	256,600

NOTES TO FINANCIAL STATEMENTS (Cont'd)

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

As at 31 December 2025, had freehold hotel land been carried at historical cost, their aggregate carrying amount would have been approximately \$70.0 million (2024 : \$73.1 million) for the Group and \$1.0 million (2024 : \$1.0 million) for the Company.

Fair values of the Group's freehold and leasehold land and hotel buildings were estimated using inputs which are considered as Level 3 in the fair value hierarchy. Details of valuation techniques and significant unobservable inputs used in the fair value measurement are as follows:

	Valuation Methodology	Significant unobservable inputs (Level 3)	Inputs	
			2025	2024
Freehold land and hotel buildings in Singapore	Direct Comparison Method for land and building	Transaction prices of comparable properties - Contract rate per room ⁽¹⁾	\$936,455 to \$1,591,250	\$772,727 to \$961,039
			Income Capitalisation Method for land and building	Occupancy rate ⁽¹⁾ Room rate per day ⁽¹⁾ Capitalisation rate ⁽²⁾
	Residual Method for land	Depreciated replacement cost per room ⁽²⁾	\$233,000 to \$280,000	\$238,000 to \$292,000
Freehold, leasehold land and hotel buildings in Malaysia	Direct Comparison Method for land and building	Transaction prices of comparable properties - Contract rate per room ⁽¹⁾	\$180,632 to \$229,441 (MYR 590,452 to MYR 750,000)	\$113,504 to \$124,459 (MYR 373,000 to MYR 409,000)
			Income Methods for land and building	Occupancy rate ⁽¹⁾ Room rate per day ⁽¹⁾ Capitalisation rate ⁽²⁾ Discount rate ⁽²⁾
	Residual Method for land	Depreciated replacement cost per room ⁽²⁾	\$2,908 to \$3,003 (MYR 9,504 to MYR 9,815)	\$1,963 to \$2,076 (MYR 6,450 to MYR 6,821)
			-	\$99,810 (MYR 328,000)
Freehold land in Thailand	Direct Comparison Method for land	Price per square metre ⁽¹⁾		
		- Bangkok	\$19,605 to \$27,324 (THB 480,000 to THB 669,000)	\$19,056 to \$26,559 (THB 480,000 to THB 669,000)
		- Phuket	\$4,294 to \$10,211 (THB 105,145 to THB 250,000)	\$6,371 to \$10,317 (THB 160,494 to THB 259,865)

(1) Any significant isolated increase (decrease) in these inputs would result in a significantly higher (lower) fair value measurement.

(2) Any significant isolated increase (decrease) in these inputs would result in a significantly lower (higher) fair value measurement.

14 INVESTMENT PROPERTIES

The Group's investment properties consist of commercial, industrial and residential properties, held to earn rental income and/or potential capital appreciation and are not occupied by the Group. These investment properties are leased to third parties under operating leases.

The Group engaged independent professional valuers who have the appropriate qualification and recent experience in such fair value measurement, to assist management in assessing the fair values of investment properties. In estimating the fair value of the investment properties, the management has assessed that the highest and best use of the properties is their current use. Information relating to significant estimates involved in valuation of investment properties are provided in Note 3.

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Investment properties at fair value:				
At beginning of the year	130,424	133,362	37,367	37,367
Additions *	1,009	275	-	-
Reclassification from property, plant and equipment	32,152	-	-	-
Effect of recognising accounting income on a straight-line basis over the lease term	(71)	(24)	-	-
Changes in fair value through profit or loss	2,220	659	983	-
Exchange adjustment	642	(3,848)	-	-
At end of the year	166,376	130,424	38,350	37,367

* Mainly arising from freehold buildings in New Zealand.

As at 31 December 2025, certain investment properties of the Group and Company amounting to \$156.1 million and \$38.4 million (2024 : \$120.6 million and \$37.4 million) are pledged as securities for the Group's and the Company's bank loans (Notes 15 and 18).

The property rental income from the Group's investment properties is disclosed in Note 25. Direct operating expenses (including repairs and maintenance) arising from the rental-generating properties amounted to \$4.4 million (2024 : \$5.0 million). Information on operating lease commitments is disclosed in Note 32.

The estimated fair values as at the end of each reporting period of the Group's investment properties are as follows:

	2025	2024
	\$'000	\$'000
Freehold land and buildings in New Zealand	57,156	57,037
Freehold land and buildings in Malaysia	60,590	26,170
Freehold units in Singapore	10,280	9,850
Freehold land and building in Singapore *	38,350	37,367
	166,376	130,424

* The freehold land and building in Singapore is held by the Company.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

14 INVESTMENT PROPERTIES (cont'd)

Fair values of the Group's investment properties were estimated using inputs which are considered as Level 3 in the fair value hierarchy. The fair values for the properties were estimated after considering the results of various valuation techniques. Details of valuation techniques and significant unobservable inputs used in the fair value measurement were as follows:

	Valuation Methodology	Significant unobservable inputs (Level 3)	Inputs	
			31 December 2025	31 December 2024
Freehold land and buildings in New Zealand	Investments Method	Capitalisation rate on adopted market rental profile ⁽²⁾	5.25% to 8.50%	5.25% to 8.50%
		Nominal assumed rental growth rate ⁽¹⁾	2.00% to 2.80%	2.25% to 3.00%
		Rates to discount cash flows to present value ⁽²⁾	7.25% to 8.50%	7.25% to 8.50%
	Direct Comparison Method	Transaction prices of comparable properties - Price per square metre of gross floor area ⁽¹⁾	\$822 to \$7,589 (NZD 1,105 to NZD 10,197)	\$931 to \$7,097 (NZD 1,216 to NZD 9,270)
Freehold land and buildings in Malaysia	Direct Comparison Method	Transaction prices of comparable properties - Price per square metre of gross floor area ⁽¹⁾	\$1,016 to \$6,745 (MYR 3,205 to MYR 21,274)	\$847 to \$5,165 (MYR 2,783 to MYR 16,973)
		Transaction prices of comparable properties - Contract rate per room ⁽¹⁾	\$109,805 to \$262,890 (MYR 346,320 to MYR 829,146)	-(3)
Freehold units, land and buildings in Singapore	Direct Comparison Method	Transaction prices of comparable properties - Price per square metre of strata floor area ⁽¹⁾	\$7,692 to \$27,228	\$7,577 to \$27,727
	Income Capitalisation Method	Capitalisation rate on term interest ⁽²⁾	2.00%	2.00%
		Capitalisation rate and discount rate on reversion interest ⁽²⁾	2.25%	2.25%

(1) Any significant isolated increase (decrease) in these inputs would result in a significantly higher (lower) fair value measurement.

(2) Any significant isolated increase (decrease) in these inputs would result in a significantly lower (higher) fair value measurement.

(3) During the current financial year, the Group transferred hotel land and building located in Penang, Malaysia from property, plant and equipment to investment properties, following a change in intended use of the property to generate rental income (Note 13).

15 BANK LOANS

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Long-term bank loans (secured)				
- current portion (Note 18)	7,150	5,234	-	460

Reconciliation of liabilities arising from financing activities:

Group	As at 1 January	Financing cash flows ⁽ⁱ⁾	Non-cash changes	As at 31 December
			Foreign exchange movement	
	\$'000	\$'000	\$'000	\$'000
Bank loans and long-term bank loans (Notes 15 and 18)				
2025	162,695	(5,534)	2,089	159,250
2024	158,730	943	3,022	162,695

(i) The cash flows make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

16 OTHER PAYABLES

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Outside parties	8,952	5,330	2,807	6
Subsidiaries	-	-	8,928	8,316
Deferred grant income	-	26	-	-
Financial guarantee contract liabilities	-	-	2,580	3,215
Total	8,952	5,356	14,315	11,537
Less: Amount payable within 12 months (shown under current liabilities)	(8,868)	(5,319)	(3,412)	(641)
Amount payable after 12 months	84	37	10,903	10,896

Other payables comprise mainly amounts outstanding for ongoing operational costs.

The amount owing to subsidiaries are unsecured and are not expected to be repaid within the next 12 months from the end of reporting date. These amounts include \$8.6 million (2024 : \$7.0 million) which bear interest rates ranging from 1.99% to 3.74% (2024 : 3.93% to 4.68%) per annum with terms of 5 years with automatic renewal clause commencing from 1 January 2024, where interest approximates market interest rate. The remaining amount owing to subsidiaries will be converted and compounded together with the outstanding principal in the following year beginning 1 January.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

17 RETIREMENT BENEFIT OBLIGATIONS

The subsidiaries operate unfunded, defined benefit retirement benefit schemes (the "Schemes") in Thailand. Under the Schemes, eligible employee of the subsidiaries are entitled to retirement benefits based on 83% to 100% of their last drawn basic salary for Thailand employees, multiplied by the years of service on attainment of the normal retirement age of 55 years old in Thailand.

The amounts recognised in the statement of financial position are as follows:

	The Group	
	2025	2024
	\$'000	\$'000
Present value of unfunded defined benefit obligations	476	398
Payable:		
Within 1 year	18	11
Later than 1 year but not later than 2 years	57	28
Later than 2 years but not later than 5 years	124	107
Later than 5 years	277	252
	<u>476</u>	<u>398</u>

Changes in the present values of the defined benefit obligations since the beginning of year arise from changes in current service costs incurred, less benefits paid. Such changes are recorded in the statement of profit or loss.

Defined benefit obligations for subsidiaries in Thailand have been valued by qualified independent actuaries. The projected unit credit method is used in the valuations.

Principal actuarial assumptions used for the purpose of the actuarial valuations were as follows:

	The Group	
	2025	2024
	%	%
Discount rate	1.7	2.5
Expected rate of salary increases	4.0	4.0

18 LONG-TERM BANK LOANS

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Long-term bank loans	159,250	162,695	82,779	80,915
Less: Amount due for settlement within 12 months (Note 15)	(7,150)	(5,234)	-	(460)
Amount due for settlement after 12 months	<u>152,100</u>	<u>157,461</u>	<u>82,779</u>	<u>80,455</u>

During the year, the Group's and the Company's long-term bank loans bear interest ranging from 2.01% to 5.21% and 2.17% to 4.27% (2024 : 2.00% to 5.15% and 2.00% to 5.10%) per annum respectively.

These long-term bank loans are secured against the Group's and the Company's land and buildings (Note 13) and investment properties (Note 14).

The bank loans are periodically repriced on a timely basis depending on the movement in the market lending rates. Management is of the view that the carrying amounts of these bank loans approximate their fair values.

19 DEFERRED TAX LIABILITIES

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
		(Restated)		
<u>Movement in deferred tax balance during the year</u>				
At beginning of year	17,404	14,266	879	832
Charge to profit or loss for the year	1,286	1,018	275	47
Under provision in prior year	208	142	196	-
Arising from revaluation gain on freehold hotel land	35	1,445	-	-
Arising from revaluation gain from reclassification from property, plant and equipment	1,201	-	-	-
Exchange adjustment	531	533	-	-
At end of year	20,665	17,404	1,350	879

Components of deferred tax balance	Accelerated tax depreciation	Others	Total
	\$'000	\$'000	\$'000
<u>The Group</u>			
As at 1 January 2024 (as previously reported)	6,597	4,060	10,657
Restatement	-	3,609	3,609
As at 1 January 2024 (as restated)	6,597	7,669	14,266
Charge to profit or loss for the year	1,018	142	1,160
Arising from revaluation gain on freehold hotel land	-	1,445	1,445
Exchange adjustment	-	533	533
As at 31 December 2024 (as restated)	7,615	9,789	17,404
As at 1 January 2025 (as previously reported)	7,615	4,598	12,213
Restatement	-	5,191	5,191
As at 1 January 2025 (as restated)	7,615	9,789	17,404
Charge to profit or loss for the year	1,286	208	1,494
Arising from revaluation gain on freehold hotel land	-	35	35
Arising from revaluation gain from reclassification of property, plant and equipment to investment properties	-	1,201	1,201
Exchange adjustment	-	531	531
As at 31 December 2025	8,901	11,764	20,665

NOTES TO FINANCIAL STATEMENTS (Cont'd)

19 DEFERRED TAX LIABILITIES (cont'd)

	Accelerated tax depreciation and others	
	2025	2024
	\$'000	\$'000
The Company		
At beginning of year	879	832
Charge to profit or loss for the year	275	47
Under provision in prior year	196	-
At end of year	1,350	879

The Group recognised deferred tax on fair value adjustment for certain freehold land - hotels on acquisition in prior years for which goodwill was subsequently impaired and revaluation subsequent to the acquisition, with a corresponding adjustment to asset revaluation reserve, foreign currency translation reserve and retained earnings. The adjustment has been applied retrospectively in accordance with SFRS(I) 1-8 Accounting Policies, Changes in Accounting Estimates and Errors. Statement of Financial Position as at 1 January 2024 has not been presented as these adjustments affect only deferred tax liability and components within equity with the effect has been presented above and in the Statement of Changes in Equity.

Certain subsidiaries have unutilised tax losses and capital allowances carryforward of approximately \$40.2 million and \$21.3 million (31 December 2024 : \$41.4 million and \$21.0 million) respectively, which are available for offset against future taxable profits of the subsidiaries, subject to the approval by the Malaysia, New Zealand and Thailand tax authorities. As at 31 December 2025 and 31 December 2024, no deferred tax asset is recorded as there is no reasonable assurance of the ability to utilise the tax losses in the foreseeable future.

No deferred tax liability has been recognised in respect of undistributed earnings of foreign subsidiaries which would be subject to withholding tax if transferred out of the country. The Group is in a position to control the timing of the transfer of these retained earnings and do not expect the retained earnings to be remitted in the foreseeable future.

20 SHARE CAPITAL

	The Group and the Company			
	2025	2024	2025	2024
	Number of ordinary shares ('000)		\$'000	
Issued and fully paid:				
At beginning of year and end of year	120,960	120,960	190,836	190,836

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

21 ASSET REVALUATION RESERVE

The asset revaluation reserve arises from the revaluation of freehold hotel land. On subsequent sale or retirement of a revalued freehold hotel land, the attributable revaluation surplus remaining in the asset revaluation reserve is transferred directly to retained earnings.

22 EMPLOYEE BENEFIT RESERVE

Employee benefit reserve represents the remeasurement gains and losses arising from Retirement Benefit Schemes for the Group's eligible employees.

23 FAIR VALUE RESERVE

The fair value reserve represents the fair value changes of the Group's financial assets designated as at FVTOCI.

24 FOREIGN CURRENCY TRANSLATION RESERVE

Exchange differences relating to the translation from the functional currencies of the Group's foreign subsidiaries into Singapore dollars are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component of equity under the header of foreign currency translation reserve.

25 REVENUE

The Group derives its revenue from the transfer of goods and services at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 Operating Segments (see Note 31).

	The Group	
	2025	2024
	\$'000	\$'000
Hotel operations:		
- Room revenue	53,000	47,448
- Food and beverage revenue	9,321	7,789
- Spa revenue	553	444
- Car park revenue	416	418
- Rental income	2,801	2,732
- Others	444	384
Property investments:		
- Rental income	6,914	6,921
Financial investments:		
- Interest income from investments	189	140
- Dividend income from:		
- Quoted equity investments	363	359
- Unquoted equity investments	139	118
	74,140	66,753

Room revenue, food and beverage revenue, spa revenue, and car park revenue are recorded at a point in time.

As of 31 December 2025 and 31 December 2024, there was no performance obligation that was unsatisfied or partially satisfied, other than performance obligations to be rendered during the remaining period, which generally cover a period of a year.

26 OTHER INCOME

	The Group	
	2025	2024
	\$'000	\$'000
Write back of impairment loss on property, plant and equipment	-	1,267
Fair value gain on investment properties	2,220	659
Fair value gain on financial assets at FVTPL	225	71
Net foreign exchange adjustment gain	-	391
Government grants	237	337
Interest from bank deposits	166	187
Other income	129	367
	2,977	3,279

NOTES TO FINANCIAL STATEMENTS (Cont'd)

27 FINANCE COSTS

	The Group	
	2025	2024
	\$'000	\$'000
Interest expense on bank loans	5,824	7,538

28 PROFIT BEFORE INCOME TAX

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges:

	The Group	
	2025	2024
	\$'000	\$'000
Depreciation of property, plant and equipment	7,375	7,079
Impairment loss on property, plant and equipment *	220	-
Bad debts written off *	35	-
Net foreign exchange adjustment loss *	402	-
Staff costs (including directors' remuneration)	20,245	17,298
Cost of defined contribution plans included in staff costs	1,202	1,023
Directors' remuneration:		
- Directors of the subsidiaries (key management personnel)	739	638
Directors' fee:		
- Directors of the Company	242	240
- Directors of the subsidiaries (key management personnel)	128	110
Audit fees paid to:		
- Auditors of the Company and Deloitte network firms	491	475
Non-audit fees paid to:		
- Auditors of the Company and Deloitte network firms	66	70
Allowance for doubtful receivables *	159	3
Loss on disposal of property, plant and equipment *	12	102

* Included in "other expenses" in the consolidated statement of profit or loss.

29 INCOME TAX EXPENSE

	The Group	
	2025	2024
	\$'000	\$'000
Current tax	1,705	1,788
Withholding tax	224	416
Deferred tax	1,286	1,018
	3,215	3,222
Under (Over) provision in prior years:		
- current tax	(137)	(190)
- deferred tax	208	142
	71	(48)
Total income tax expense	3,286	3,174

29 INCOME TAX EXPENSE (cont'd)

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2024 : 17%) to profit before income tax as a result of the following differences:

	The Group	
	2025	2024
	\$'000	\$'000
Profit before income tax	13,321	9,860
Income tax expense at 17% rate	2,265	1,676
Difference due to foreign tax rates	724	2,786
Non-deductible (taxable) items, net	671	(1,908)
Withholding tax	224	416
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	(616)	310
Under (Over) provision in prior years	71	(48)
Tax exemption and rebate	(53)	(58)
Total income tax expense	3,286	3,174

30 PROFIT PER SHARE

Basic profit per share is calculated on the Group profit after tax of \$10.035 million (2024 : \$6.686 million) divided by 120.96 million ordinary shares (2024 : 120.96 million), being the weighted average number of shares in issue.

There are no dilutive potential ordinary shares and diluted earnings per share is therefore same as basic profit per share.

31 SEGMENT INFORMATION**Products and services of the Group**

The Group is primarily engaged in the following operations:

- Owning and operating hotels and providing ancillary services ("hotel operations").
- Owning and letting out investment properties ("property investments").
- Holding financial investments such as shares, bonds and funds to generate income through interest and dividends, and also for potential capital appreciation ("financial investments").

Definition of operating segments and reportable segments of the Group

For the purpose of reporting to the Group's chief operating decision-maker for resource allocation and assessment of operational performance, the information is organised in the following manner:

- Hotel operations - information is reported on individual hotel basis.
- Property investments - information is reported on individual property basis.
- Financial investments - information is reported on overall performance of the investment portfolio.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

31 SEGMENT INFORMATION (cont'd)

Definition of operating segments and reportable segments of the Group (cont'd)

The above forms the basis of determining an operating segment of the Group. For the purpose of reporting segment information externally, the following reportable segments are identified:

- Hotel operations
 - Singapore
 - Malaysia
 - Thailand
- Property investments
 - Singapore
 - New Zealand
 - Malaysia
- Financial investments

The accounting policies of the reportable segments are the same as the Group's material accounting policy information described in Note 2. Segment profits represent profits earned by each segment without allocation of the finance costs and income tax expense. All assets are allocated to reportable segments except for fixed deposits and income tax recoverable. Segment liabilities represent operating liabilities attributable to each reportable segment. Bank borrowings, deferred tax liabilities and tax liabilities are not allocated. Information regarding the Group's reportable segments is presented below:

I Revenue

	External		Inter-segment		Total	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Hotel operations						
Singapore	28,279	29,958	-	-	28,279	29,958
Malaysia	20,752	15,854	3	-	20,755	15,854
Thailand	17,504	13,403	4	-	17,508	13,403
	66,535	59,215	7	-	66,542	59,215
Property investments						
Singapore	1,250	1,076	-	98	1,250	1,174
New Zealand	4,520	4,769	-	-	4,520	4,769
Malaysia	1,144	1,076	-	-	1,144	1,076
	6,914	6,921	-	98	6,914	7,019
Financial investments	691	617	-	4,219	691	4,836
Segments total	74,140	66,753	7	4,317	74,147	71,070

31 SEGMENT INFORMATION (cont'd)**II Net profit**

	Total	
	2025	2024
	\$'000	\$'000
Hotel operations		
Singapore	6,953	8,745
Malaysia	3,572	2,607
Thailand	4,564	3,027
	15,089	14,379
Property investments		
Singapore	1,332	1,505
New Zealand	1,510	279
Malaysia	561	521
	3,403	2,305
Financial investments	653	714
Segments total	19,145	17,398
Finance costs	(5,824)	(7,538)
Profit before income tax	13,321	9,860
Income tax expense	(3,286)	(3,174)
Profit after income tax	10,035	6,686

III Segment assets and liabilities

	Segment assets		Segment liabilities	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
				(Restated)
Hotel operations				
Singapore	474,769	461,288	4,819	3,526
Malaysia	150,978	165,098	3,542	3,739
Thailand	103,962	103,331	3,005	2,890
	729,709	729,717	11,366	10,155
Property investments				
Singapore	48,709	47,328	55	109
New Zealand	58,232	58,416	642	484
Malaysia	60,590	26,170	-	-
	167,531	131,914	697	593
Financial investments	34,644	32,912	18	24
Segments total	931,884	894,543	12,081	10,772
Unallocated items	3,887	3,782	181,823	182,288
Consolidated total	935,771	898,325	193,904	193,060

NOTES TO FINANCIAL STATEMENTS (Cont'd)

31 SEGMENT INFORMATION (cont'd)

IV Other segment information

Other segment information includes the following charges (credits):

	Hotel operations				Property investments				Consolidated total
	Singapore	Malaysia	Thailand	Subtotal	New			Subtotal	
					Singapore	Zealand	Malaysia		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
2025									
Additions to non-current assets	2,905	1,889	560	5,354	-	1,009	-	1,009	6,363
Depreciation	2,297	4,023	1,055	7,375	-	-	-	-	7,375
Loss on disposal of property, plant and equipment	4	-	8	12	-	-	-	-	12
Bad debt	-	32	-	32	-	3	-	3	35
Allowance for doubtful receivables	-	159	-	159	-	-	-	-	159
Write back of impairment loss on property, plant and equipment	-	-	220	220	-	-	-	-	220
Fair value gain investment properties	-	-	-	-	(1,413)	(807)	-	(2,220)	(2,220)
2024									
Additions to non-current assets	3,558	7,569	2,539	13,666	-	275	-	275	13,941
Depreciation	2,300	3,956	823	7,079	-	-	-	-	7,079
Loss (gain) on disposal of property, plant and equipment	12	(3)	93	102	-	-	-	-	102
Allowance for doubtful receivables	-	-	3	3	-	-	-	-	3
Write back of impairment loss on property, plant and equipment	-	(739)	(528)	(1,267)	-	-	-	-	(1,267)
Fair value (gain) loss on investment properties	-	-	-	-	(908)	249	-	(659)	(659)

31 SEGMENT INFORMATION (cont'd)**V Geographical information**

Information about the Group's revenue and non-current assets by geographical locations are described below:

	Revenue from external customers		Non-current assets	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Singapore	30,220	31,651	538,468	522,173
Malaysia	21,896	16,930	203,734	185,346
New Zealand	4,520	4,769	57,561	57,650
Thailand	17,504	13,403	96,307	96,756
	74,140	66,753	896,070	861,925

32 OPERATING LEASE ARRANGEMENTSThe Group and Company as lessor

Operating leases, in which the Group is the lessor, relate to investment properties and hotel buildings owned by the Group with lease terms of between 1 to 25 years (2024 : 1 to 26 years). The lessee does not have an option to purchase the property at the expiry of the lease period. The unguaranteed residual values do not represent a significant risk for the Group.

Maturity analysis of operating lease receivables:

	The Group		The Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Year 1	7,907	7,860	2,097	2,314
Year 2	5,939	5,239	1,865	1,250
Year 3	4,248	3,317	1,243	884
Year 4	3,301	3,136	800	1,240
Year 5	2,214	2,547	-	800
Year 6 and onwards	7,754	10,574	-	-
	31,363	32,673	6,005	6,488

33 CONTINGENT LIABILITIESGuarantees given

The Company provides corporate guarantee to banks for banking facilities totaling \$158.7 million (2024 : \$155.3 million) obtained by subsidiaries. The fair values of the financial guarantee at the end of reporting period is approximately \$2.6 million (2024 : \$3.2 million). The maximum amount that the Company could be obliged to settle in the event that the guarantees are called upon is \$76.5 million (2024 : \$81.8 million) based on facilities used by the subsidiaries at the end of the year.

NOTES TO FINANCIAL STATEMENTS (Cont'd)

34 CAPITAL EXPENDITURE COMMITMENTS

	The Group		The Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Estimated amounts committed for future capital expenditure but not provided for in the financial statements	16,733	1,430	4,946	402

35 DIVIDENDS

During the financial year, the Company declared and paid a first and final tax-exempt dividend of \$0.027 (2024 : \$0.025) per ordinary share of the Company totaling \$3.27 million (2024 : \$3.02 million) in respect of the financial year ended 31 December 2024 (2024 : 31 December 2023).

Subsequent to 31 December 2025, the directors of the Company recommended that a first and final tax-exempt dividend be paid at \$0.03 per ordinary share totaling \$3.63 million for the financial year just ended on the ordinary shares of the Company. The dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

36 RECLASSIFICATION OF COMPARATIVE INFORMATION

During the current financial year, the Group reassessed the classification of certain expenses to better reflect the nature and align with current period presentation. Accordingly, the comparative figures for the financial year ended 31 December 2024 have been reclassified to conform with the current year's presentation. These reclassifications have no impact on the Group's profit for the period, attributable to owners of the Company, Statement of Financial Position, Statement of Changes in Equity and Consolidated Statement of Cash Flows.

The items were reclassified as follows:

Consolidated statement of profit or loss for the financial year ended 31 December 2024:

	The Group		
	31 December 2024		
	As previously reported \$'000	Reclassification \$'000	As reclassified \$'000
Cost of sales	30,979	5,178	36,157
Distribution costs	1,193	(1,193)	-
Administrative expenses	20,356	(3,985)	16,371

STATISTICS OF SHAREHOLDINGS

As at 16 March 2026

Issued and Fully Paid-Up Capital	:	S\$191,449,496
No. of Shares Issued	:	120,960,000
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote Per Share
No. of Treasury Shares And Subsidiary Holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Holders	No. of Shares	% of Shares
1 - 99	67	5.45	633	0.00
100 - 1,000	225	18.29	103,247	0.09
1,001 - 10,000	595	48.37	2,700,583	2.23
10,001 - 1,000,000	332	26.99	24,775,412	20.48
1,000,001 AND ABOVE	11	0.90	93,380,125	77.20
TOTAL	1,230	100.00	120,960,000	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	% of Shares
1.	Aik Siew Tong Ltd	29,211,840	24.15
2.	Great Eastern Life Assurance Co Ltd - Participating Fund	13,402,096	11.08
3.	Hock Tart Pte Ltd	12,979,680	10.73
4.	Melodies Limited	11,491,200	9.50
5.	Singapore-Johore Express Pte Ltd	10,959,282	9.06
6.	Asia Building Berhad	8,250,480	6.82
7.	GTK Holding Pte Ltd	2,032,000	1.68
8.	Chip Keng Holding Berhad	1,386,000	1.15
9.	Citibank Nominees Singapore Pte Ltd	1,311,932	1.08
10.	DBS Nominees Pte Ltd	1,288,481	1.07
11.	The Great Eastern Trust Private Limited	1,067,134	0.88
12.	Wee Aik Koon Pte Ltd	991,500	0.82
13.	Ng Poh Cheng	923,600	0.76
14.	Morph Investments Ltd	914,400	0.76
15.	Lee Khin Tien (Li Qingtian)	727,063	0.60
16.	Season Holdings Pte Ltd	720,960	0.60
17.	Tan Cheh Tian (Chen Jingzhen)	700,000	0.58
18.	Phillip Securities Pte Ltd	652,686	0.54
19.	Tan Hock Teng	562,200	0.46
20.	Liu Ping-Nan Phyllis	505,500	0.42
TOTAL		100,078,034	82.74

STATISTICS OF SHAREHOLDINGS

As at 16 March 2026

Substantial Shareholders as at 16 March 2026 as shown in the Company's Register of Substantial Shareholders:-

Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of shares	%	No. of shares	%
Lee Chou Hor George ⁽¹⁾	42,000	0.03	12,993,680	10.74
Lee Chou Tart ⁽²⁾	–	–	12,979,680	10.73
Aik Siew Tong Ltd ⁽³⁾	29,211,840	24.15	22,450,482	18.56
Hock Tart Pte Ltd ⁽⁴⁾	12,979,680	10.73	29,211,840	24.15
The Great Eastern Life Assurance Co Ltd ⁽⁵⁾	13,406,934	11.08	–	–
Great Eastern Holdings Limited ⁽⁶⁾	–	–	14,478,906	11.97
Oversea-Chinese Banking Corporation Limited ⁽⁷⁾	–	–	14,478,906	11.97
Asia Building Bhd ⁽⁸⁾	8,250,480	6.82	1,386,000	1.15
Melodies Limited ⁽³⁾	11,491,200	9.50	–	–
Other Shareholders				
The Singapore-Johore Express (Private) Limited ⁽³⁾	10,959,282	9.06	–	–
Chip Keng Holding Bhd ⁽⁸⁾	1,386,000	1.15	–	–

Note:

- (1) Lee Chou Hor George owns 24.84% of the share capital of Hock Tart Pte Ltd ("Hock Tart"). He is deemed interested in the shares held by Hock Tart. Additionally, Lee Chou Hor George is also deemed interested in the 14,000 shares held by his spouse.
- (2) Lee Chou Tart owns 24.84% of the share capital of Hock Tart. He is deemed interested in the shares held by Hock Tart.
- (3) Aik Siew Tong Ltd ("AST") holds 83.4% and 69.1% of the share capital of Melodies Limited ("Melodies") and The Singapore-Johore Express (Private) Limited ("S-J Express") respectively and is deemed to be interested in the 11,491,200 shares and 10,959,282 shares held by Melodies and S-J Express respectively.
- (4) Hock Tart Pte Ltd holds 31.7% of the share capital of AST and is therefore deemed interested in the shares held by AST.
- (5) The Great Eastern Life Assurance Co Ltd is the wholly owned subsidiary of Great Eastern Holdings Limited. Great Eastern Holdings Limited is therefore deemed interested in 13,406,934 shares (of which 4,838 shares are registered in the name of DBS Nominees (Private) Limited).
- (6) Great Eastern Holdings Limited is deemed interested in the 14,478,906 shares which made up of 13,406,934 shares as aforementioned; 1,067,134 shares registered in the name of its subsidiary, The Great Eastern Trust Private Limited; and 4,838 shares registered in the name of DBS Nominees (Private) Limited (for the beneficial interest of The Great Eastern Trust Private Limited).
- (7) Oversea-Chinese Banking Corporation Limited is deemed to be interested in the shares held by Great Eastern Holdings Ltd.
- (8) Chip Keng Holding Bhd is the wholly owned subsidiary of Asia Building Bhd. Asia Building Bhd is deemed interested in the 1,386,000 shares held by Chip Keng Holding Bhd.

PERCENTAGE OF SHAREHOLDING HELD IN THE HANDS OF PUBLIC

Based on information available to the Company as at 16 March 2026, approximately 24.13% of the Company's issued ordinary shares were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of Singapore Exchange Securities Trading Limited has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 57th Annual General Meeting (“**AGM**”) of Hotel Royal Limited (the “**Company**”) will be held at the Hotel Royal Queens, Royal Ballroom, Level 3, 12 Queen Street, Singapore 188553 on Thursday, 30 April 2026 at 2.30 p.m. for the following business:

As Ordinary Business

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a tax exempt one-tier first and final dividend of 3.0 cents per ordinary share for the financial year ended 31 December 2025. (FY2024: 2.7 cents per ordinary share) **(Resolution 2)**
3. To approve the payment of Directors’ fees of S\$242,000 for the financial year ended 31 December 2025. (FY2024: S\$239,833) **(Resolution 3)**
4. To re-elect Mr. Lee Kin Hong who is retiring pursuant to Article 117 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as Director of the Company.
[See Explanatory Note (i)] **(Resolution 4)**
5. To re-elect Mr. Lee Chou Hor George who is retiring pursuant to Article 117 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as Director of the Company.
[See Explanatory Note (ii)] **(Resolution 5)**
6. To re-elect Mr. Leow Chung Chong Yam Soon Paul who is retiring pursuant to Article 117 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as Director of the Company
[See Explanatory Note (iii)] **(Resolution 6)**
7. To re-appoint Messrs. Deloitte & Touche LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**
8. To transact any other ordinary business of an Annual General Meeting of which due notice shall have been given.

By Order of the Board

Sin Chee Mei
Company Secretary

Singapore,
2 April 2026

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES:

- (i) Mr. Lee Kin Hong will, upon re-election as a Director of the Company, remain as a Non-Executive and Non-Independent Director of the Company. Detailed information on Mr. Lee Kin Hong can be found under the “**Board of Directors**”, “Corporate Governance Report” and “Disclosure of information on Directors seeking re-election” sections in the Company’s Annual Report.
- (ii) Mr. Lee Chou Hor George will, upon re-election as a Director of the Company, remain as a Non-Executive and Non-Independent Director of the Company. Detailed information on Mr. Lee Chou Hor George can be found under the “Board of Directors”, “Corporate Governance Report” and “Disclosure of information on Directors seeking re-election” sections in the Company’s Annual Report.
- (iii) Mr. Leow Chung Chong Yam Soon Paul will, upon re-election as a Director of the Company, remain as a Non-Executive and Independent Director of the Company, Chairman of Audit and Risk Committee and a member of the Nominating Committee and Remuneration Committee. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information on Mr. Leow Chung Chong Yam Soon Paul can be found under the “Board of Directors”, “Corporate Governance Report” and “Disclosure of information on Directors seeking re-election” sections in the Company’s Annual Report.

NOTES:

(a) **Participation in the AGM**

1. The Annual General Meeting (the “**Meeting**” or “**AGM**”) will be held, in a wholly physical format at the AGM venue set out above and there will be no option for members to participate virtually. The Notice of AGM, Proxy Form, Annual Report 2025 Request Form and the Annual Report will be made available on the SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company’s website at <http://hotelroyal.listedcompany.com/home.html>. A printed copy of the Notice of AGM, Proxy Form and Annual Report 2025 Request Form will be sent to the members of the Company.
2. Members may participate in the AGM by:
 - (a) attending the AGM in person;
 - (b) submitting questions in relation to any agenda item in this Notice of AGM in advance of, or at the AGM; and/or
 - (c) voting at the AGM by themselves or through their duly appointed proxy(ies).

Details of the steps for registration, asking of questions and voting at the AGM by members, are set out in the notes below.

(b) **Registration in person to attend the AGM**

1. Members, including CPF and SRS investors can attend the AGM in person.

To do so, they will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Please bring along your NRIC/Passport to enable the Company to verify your identity. Members and/or their proxy(ies) are advised to arrive early to facilitate the registration process and exercise social responsibility and not to attend the AGM if they are feeling unwell. The Company reserves the right to refuse admittance to the AGM if the attendee’s identity cannot be verified accurately.
2. For investors who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act, 1967 of Singapore) including CPF and SRS Investors and who wish to participate in the AGM should contact their respective relevant intermediaries (including CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

(c) Asking Questions

1. Members, including CPF and SRS investors may ask question relating to the item on the agenda of the AGM during the AGM physically or submitting their question to the Company in advance ("**Advanced Questions**") by 11 April 2026, 2:30 p.m. ("**Cut-off Time**") through any of the following means:
 - (i) by post, to be deposited at the registered office of the Company at 36 Newton Road, Singapore 307964; or
 - (ii) by email to ir@hotelroyal.com.sg
2. Members, including CPF and SRS investors must identify themselves when posting questions through email or mail by providing their full names (for individuals)/company names (for corporations), NRIC/passport number/company registration numbers, contact numbers, email address, number of shares and the manner in which their hold shares (if hold shares directly, please provide the CDP account number; otherwise, please state if you hold your shares through CPF or SRS, or are a relevant intermediary shareholders).
3. The Company will address all substantial and relevant Advanced Questions through announcement on the SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's website at <http://hotelroyal.listedcompany.com/home.html> by 24 April 2026.
4. The Company will endeavor to address (i) subsequent clarifications sought, (ii) follow-up questions, or (iii) subsequent substantial and relevant questions which are received after the Cut-off Time at the AGM itself or via announcement on SGXNet and the Company's website. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
5. The Company will, within one month after the AGM, publish the minutes of the AGM on SGXNet and the Company's website and the minutes will include the responses to the substantial and relevant questions raised during the AGM.

(d) Voting at the AGM or voting by appointing proxy(ies)

1. Members will be able to vote at the AGM in person, or by appointing proxy or proxies to vote on their behalf.
2. Duly completed proxy forms must be submitted through any of the following means no later than 27 April 2026, 2:30 p.m., being no later than seventy-two (72) hours before the time appointed for holding the AGM and in default the proxy instrument shall not be treated as valid:
 - (i) If sent personally or by post, the proxy form must be lodged at the registered office of the Company at Hotel Royal Limited, 36 Newton Road, Singapore 307964; or
 - (ii) If by email, the proxy form must be received at main@zicoholdings.com

The proxy form is made available on SGXNet and the Company's corporate website at <http://hotelroyal.listedcompany.com/home.html> and may be accessed through announcement on the SGX website at <https://www.sgx.com/securities/company-announcements>.

The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorized, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.

3. A proxy need not be a member of the company.
4. A member of the Company which is a corporation is entitled to appoint its authorized representatives or proxies to vote on his behalf.

NOTICE OF ANNUAL GENERAL MEETING

5. A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

6. For investors who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS Investors:

(a) may vote at the AGM if they are appointed as proxies by their respective relevant intermediaries, and should contact their respective relevant intermediaries if they have any queries regarding their appointment as proxies; or

(b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM,

in which case they should approach their relevant intermediaries to submit their votes at least seven (7) working days prior to the AGM.

7. A member (other than a Relevant Intermediary) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of the proxy.

8. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote in his/her stead at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

“Relevant Intermediary” has the meaning ascribed to it in Section 181 of the Companies Act, 1967.

9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument.

PERSONAL DATA PRIVACY

By (a) submitting an instrument appointing the Chairman of the Meeting, proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), addressing relevant and substantial questions from members received before and/or during the AGM and if necessary, following up with the relevant members in relation to such questions and enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities (collectively, the “**Purposes**”); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. Photographic, sound, and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of the member of the Company or the member's proxy(ies) or representative(s) (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she propose/second) may be recorded by the Company for such Purposes.

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Lee Kin Hong, Mr Lee Chou Hor George and Mr Leow Chung Chong Yam Soon are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened and held on 30 April 2026 ("**AGM**") (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MR. LEE KIN HONG	MR. LEE CHOU HOR GEORGE	MR. LEOW CHUNG CHONG YAM SOON
Date of Appointment	21 June 2002	29 June 2020	1 May 2023
Date of last re-appointment (if applicable)	26 April 2024	26 April 2024	26 April 2024
Age	72	66	55
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (" NC ") and has reviewed and considered the past contribution and performance, attendance, preparedness, participation, candour and suitability of Mr. Lee Kin Hong for re-appointment as Non-Executive and Non-Independent Director of the Company. The Board have reviewed and concluded that Mr. Lee Kin Hong possesses the experience, expertise, knowledge and skills to continue contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Mr. Lee Chou Hor George for re-appointment as Non-Executive and Non-Independent Director of the Company. The Board has reviewed and concluded that Mr. Lee Chou Hor George possesses the experience, expertise, knowledge and skills to continue contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contribution, expertise, experience, diversity of skillsets, independent and commitment in the discharge of duties of Mr. Leow Chung Chong Yam Soon as Independent and Non-Executive Director of the Company and concluded that Mr. Leow Chung Chong Yam Soon possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board and is suitable for re-election as the Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive
Job Title (e.g.) Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Non-Independent Director	Non-Executive and Non-Independent Director	Non-Executive and Independent Director Chairman of Audit and Risk Committee Member of Remuneration Committee Member of Nominating Committee

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR. LEE KIN HONG	MR. LEE CHOU HOR GEORGE	MR. LEOW CHUNG CHONG YAM SOON
Professional qualifications	Bachelor of Science (Building) from the National University of Singapore Master of Science (Project Management) from the National University of Singapore	Bachelor of Business Administration (Hons) and Master of Business Administration from Schulich School of Business (York University, Toronto, Canada) Master of Science (Real Estate) from the National University of Singapore Master of Professional Accounting from the Singapore Management University Chartered Accountant (Singapore) and Certified Internal Auditor	Practising member, Institute of Singapore Chartered Accountants (ISCA) Fellow Chartered Association of Certified Accountants, United Kingdom Certified Public Accountants, United States of America
Working experience and occupation(s) during the past 10 years	Director of Singapore-Johore Express (Private) Limited (1985 - present) Honourable Chairman of Sian Chay Medical Institution (2014 - present)	Executive Director of Hotel Royal Group (1993 - 2016) Owner and Executive Director of Sweet Savour Café Sdn Bhd, (2016 – 2018) Volunteer Adult Educator in China (2018 – present)	Audit partner at Ecovis Assurance LLP (2012 to present)
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest: 499,658 ordinary shares Deemed Interest : 483,840 ordinary shares held by Eng Keng Estate Management Pte Ltd	Direct Interest: 42,000 ordinary Shares Deemed Interest: 12,993,680 ordinary Shares (Mr. Lee Chou Hor George owns 24.85% of the share capital of Hock Tart Pte. Ltd. He is deemed interest in the shares held by Hock Tart Pte. Ltd. Additionally, he is deemed interest in the shares held by his spouse)	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries.	Brother of Non Executive Director, Mr. Lee Khin Tien Uncle of the Non-Executive Directors, Mr. Lee Chou Hor George and Dr. Lee Chu Muk and the Chief Executive Officer, Mr. Lee Chou Hock Grand uncle of the Deputy Chief Executive Officer, Mr. Lee Zongye	Nephew of the Non-Executive Directors, Mr. Lee Khin Tien and Mr. Lee Kin Hong Brother of the Chief Executive Officer, Mr. Lee Chou Hock and the substantial shareholder, Mr. Lee Chou Tart Cousin of the Non-Executive Director, Dr. Lee Chu Muk Cousin uncle of the Deputy Chief Executive Officer, Mr. Lee Zongye	None
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

	MR. LEE KIN HONG	MR. LEE CHOU HOR GEORGE	MR. LEOW CHUNG CHONG YAM SOON
Other Principal Commitments* Including Directorships (for the last 5 years)	Nil	Nil	1) Fragrance Group Limited 2) Asian Healthcare Specialists Limited 3) No Signboard Holdings Ltd
Other Principal Commitments* Including Directorships (Present)	<ol style="list-style-type: none"> 1) The Singapore-Johore Express (Private) Limited – Managing Director 2) The Singapore-Johore Express (Private) Limited 3) Aik Siew Tong Limited 4) Customhouse Building(S) Pte Ltd 5) Eng Keng Estate Management Pte Ltd 6) Grand Complex Properties Ltd 7) Hotel Royal @ Queen (Singapore) Pte Ltd 8) Hotel Royal (Thailand) Pte Ltd 9) Prosper Realty Pte Ltd 10) Royal Capital Pte Ltd 11) Royal Properties Investment Pte Ltd 12) Thong Ching Pte Ltd 13) Xin Rou Properties Pte Ltd 14) Man Won Company Ltd 15) Panali Co., Ltd 16) Customhouse Building Limited 17) Baba Residences Sdn Bhd 18) Faber Kompleks Sdn Bhd 19) Heng Ann Enterprise (M) Bhd 20) Hock Jiong Enterprise (Holdings) Bhd 21) Libros Sdn Bhd 22) Melodies Limited 23) Premium Lodge Sdn Bhd 24) Prestige Properties Sdn Bhd 25) Sebatik Plantations Sdn Bhd 	<ol style="list-style-type: none"> 1) The Singapore-Johore Express (Private) Limited, 2) Melodies Limited 3) Aik Siew Tong Limited 4) Hock Tart Private Limited 5) Royal Capital Pte Ltd 6) Xin Rou Properties Pte Ltd 7) Royal Properties Investment Pte Ltd 8) Customhouse Building (S) Pte Ltd 9) Prosper Property Pte Ltd 10) Castle Mall Properties Pte Ltd 11) Metro Builders Pte Ltd 12) Lico Properties Pte Ltd 13) Hotel Royal @ Queens (Singapore) Pte Ltd 14) Hotel Royal (Thailand) Private Limited 15) Mana & Roll Pte. Ltd. 16) Man Won Company Ltd 17) Faber Complex Sdn Bhd 18) Melodies Limited (Malaysia) 19) Prestige Properties Sdn Bhd 20) Hotel Royal Bangkok (Thailand) Co., Ltd 21) Panali Co., Ltd 22) Grand Complex Properties Limited 23) Customhouse Building Limited 	<ol style="list-style-type: none"> 1) Spring & Associates PAC 2) Ecovis Advisory Pte Ltd 3) Ecovis Assurance LLP (Partner and Manager)

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR. LEE KIN HONG	MR. LEE CHOU HOR GEORGE	MR. LEOW CHUNG CHONG YAM SOON	
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.				
a)	Whether at any time during the last 10 years, an application or petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or any time within 2 years from the date he ceased to be a partner?	No	No	No
b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or whether that entity is the trustee of a business trust, that business trust, on the group of insolvency?	No	No	No
c)	Whether there is any unsatisfied judgement against him?	No	No	No
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

		MR. LEE KIN HONG	MR. LEE CHOU HOR GEORGE	MR. LEOW CHUNG CHONG YAM SOON
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
f)	Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law of regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation of dishonesty on his part?	No	No	No
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	MR. LEE KIN HONG	MR. LEE CHOU HOR GEORGE	MR. LEOW CHUNG CHONG YAM SOON
j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

HOTEL ROYAL LIMITED

(Co. Reg. No. 196800298G)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING

PROXY FORM

IMPORTANT

1. The Annual General Meeting will be held physically at the Hotel Royal Queens, Royal Ballroom, Level 3, 12 Queen Street, Singapore 188553. Members have no option to participate virtually.
2. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 2 for the definition of "relevant intermediary").
3. For investors holding shares through a Relevant Intermediary including CPF and SRS investors), this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. The investors should contact their respective relevant intermediary, Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies.

I/We, _____ (Name), *NRIC/Passport No./Registration No. _____

of _____ (Address)

being a *member/members of **HOTEL ROYAL LIMITED** (the "Company") hereby appoint:

Name	*NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

*and/or (delete as appropriate)

Name	*NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

or failing *him/her, the Chairman of the Meeting, as *my/our proxy/proxies to vote for *me/us on *my/our behalf, at the 57th Annual General Meeting ("AGM") of the Company, to be held physically at the Hotel Royal Queens, Royal Ballroom, Level 3, 12 Queen Street, Singapore 188553 on Thursday, 30 April 2026 at 2.30 p.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for, against or abstain the Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting is given, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid at the AGM and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain
1.	Adoption of Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 December 2025			
2.	Declaration of First and Final Dividend			
3.	Approval of payment of Directors' Fees			
4.	Re-election of Mr. Lee Kin Hong as Director			
5.	Re-election of Mr. Lee Chou Hor George as Director			
6.	Re-election of Mr. Leow Chung Chong Yam Soon Paul as Director			
7.	Re-appointment of Messrs Deloitte & Touche LLP as Auditors and authorise the Directors to fix their remuneration			

* Delete where inapplicable

NOTES: All resolutions put to vote at the AGM shall be decided by way of poll. If you wish to exercise all your votes "For" or "Against" or "Abstain" the relevant resolution, please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy, not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this _____ day of _____ 2026

Signature(s) of Member(s)/
and, Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF

Total Number of Shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

NOTES

1. A member of the Company (other than a Relevant Intermediary) is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
2. A member of the Company who is a Relevant Intermediary entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

"Relevant Intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
 4. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.
In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment for that resolution will be treated as invalid.
 5. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
 6. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act), he/she should insert that number of shares. If the member has shares registered in his/her name in the Register of Members of the Company, he/she should insert that number of shares. If the member has shares entered against his/her name in the Depository Register and registered in his name in the Register of Members, he/she should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all shares held by the member.
 7. The instrument appointing a proxy duly executed must be submitted through any one of the following means by 2:30 p.m. on 27 April 2026, being no later than seventy-two (72) hours before the time for appointed for holding the AGM (or any adjournment thereof) and in default the instrument of proxy shall not be treated as valid:
 - (i) By depositing a physical copy at the registered office of the Company at Hotel Royal Limited, 36 Newton Road, Singapore 307964; or
 - (ii) By sending a scanned PDF copy by email to main@zicoholdings.com.

Members are strongly encouraged to submit completed proxy forms electronically via email.

8. For investors who holds shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS Investors:
 - (a) may vote at the AGM if they are appointed as proxies by their respective relevant intermediaries, and should contact their respective relevant intermediaries if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM,in which case they should approach their relevant intermediaries to submit their votes at least seven (7) working days prior to the date of the AGM.
9. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorized, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.
10. The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 2 April 2026.

CORPORATE INFORMATION

Board of Directors	<p>Mr. Yang Wen-Wei <i>Independent Non-Executive Chairman</i></p> <p>Mr. Leow Chung Chong Yam Soon, Paul <i>Independent Non-Executive Director</i></p> <p>Mr. Lee Khin Tien <i>Non-Executive Director</i></p> <p>Mr. Lee Kin Hong <i>Non-Executive Director</i></p> <p>Dr. Lee Chu Muk <i>Non-Executive Director</i></p> <p>Mr. Lee Chou Hor George <i>Non-Executive Director</i></p> <p>Ms. Lim Siew Li <i>Independent Non-Executive Director</i></p>
Audit and Risk Committee	<p>Mr. Leow Chung Chong Yam Soon, Paul (Chairman) Mr. Yang Wen-Wei Mr. Lee Khin Tien Ms. Lim Siew Li</p>
Remuneration Committee	<p>Ms. Lim Siew Li (Chairman) Mr. Yang Wen-Wei Mr. Leow Chung Chong Yam Soon, Paul Mr. Lee Khin Tien</p>
Nominating Committee	<p>Mr. Yang Wen-Wei (Chairman) Mr. Leow Chung Chong Yam Soon, Paul Mr. Lee Khin Tien Ms. Lim Siew Li</p>
Company Secretary	<p>Ms. Sin Chee Mei</p>
Share Registrar	<p>B.A.C.S. Private Limited 77 Robinson Road #06-03 Robinson 77 Singapore 068896 Tel: (65) 6593 4848 Email: main@zicoholdings.com</p>
Registered Office	<p>36 Newton Road Singapore 307964 Tel: (65) 6426 0168 Fax: (65) 6256 2710 Email: royal@hotelroyal.com.sg</p>
Auditors	<p>Deloitte & Touche LLP Public Accountants and Chartered Accountants Singapore 6 Shenton Way OUE Downtown 2, #33-00 Singapore 068809 Tel: (65) 6224 8288 Fax: (65) 6538 6166</p>
Audit Partner-in-Charge	<p>Mr. Michael Ng Wee Kiat Appointed in 2025</p>
Principal Bankers	<p>Oversea-Chinese Banking Corporation Limited DBS Bank Limited Bank of New Zealand Limited RHB Bank Berhad</p>
Investor Relations	<p>Email: ir@hotelroyal.com.sg</p>



Hotel Royal

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