



# Unaudited Condensed Interim Financial Information

For the Second Half and Financial Year Ended  
31 December 2025



**HOTEL ROYAL LIMITED**

Incorporated in the Republic of Singapore  
Company Registration Number - 196800298G

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**INTERIM FINANCIAL INFORMATION  
FOR THE SECOND HALF AND FINANCIAL YEAR ENDED 31 DECEMBER 2025**

**STATEMENTS OF FINANCIAL POSITION  
For the financial year ended 31 December**

Note	<b>The Group</b>		<b>The Company</b>	
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b><u>ASSETS</u></b>				
<b>Current assets</b>				
	24,430	19,559	2,782	3,583
Cash and bank balances				
Financial assets at fair value through profit or loss	4	5,105	2,752	3,900
Financial assets at fair value through other comprehensive income	5	3,418	221	178
Trade receivables	6	2,710	423	292
Other receivables, deposits and prepaid expenses	7	3,020	450	425
Inventories		948	50	93
Income tax recoverable		70	-	-
<b>Total current assets</b>		<b>39,701</b>	<b>6,678</b>	<b>8,471</b>
<b>Non-current assets</b>				
Subsidiaries		-	285,186	283,018
Financial assets at fair value through other comprehensive income	5	21,045	16,395	15,386
Other assets		1,431	500	226
Property, plant and equipment	8	707,218	269,473	261,869
Investment properties	9	166,376	38,350	37,367
<b>Total non-current assets</b>		<b>896,070</b>	<b>609,904</b>	<b>597,866</b>
<b>Total assets</b>		<b>935,771</b>	<b>616,582</b>	<b>606,337</b>
<b><u>LIABILITIES AND EQUITY</u></b>				
<b>Current liabilities</b>				
Bank loans	10	7,150	-	460
Trade payables		2,653	723	2,468
Other payables	11	8,868	3,412	641
Income tax payable		1,908	509	950
<b>Total current liabilities</b>		<b>20,579</b>	<b>4,644</b>	<b>4,519</b>
<b>Non-current liabilities</b>				
Other payables	11	84	10,903	10,896
Retirement benefit obligations		476	-	-
Long-term bank loans	10	152,100	82,779	80,455
Deferred tax liabilities		15,325	1,350	879
<b>Total non-current liabilities</b>		<b>167,985</b>	<b>95,032</b>	<b>92,230</b>
<b>Capital and reserves</b>				
Share capital	12	190,836	190,836	190,836
Asset revaluation reserve		435,514	241,408	234,708
Employee benefit reserve		51	-	-
Fair value reserve		19,762	15,462	14,411
Foreign currency translation reserve		(12,075)	-	-
Retained earnings		113,119	69,200	69,633
<b>Total equity</b>		<b>747,207</b>	<b>516,906</b>	<b>509,588</b>
<b>Total liabilities and equity</b>		<b>935,771</b>	<b>616,582</b>	<b>606,337</b>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**For the second half and financial year ended 31 December**

**The Group**

	<u>Note</u>	<u>6 months ended</u> <u>31 December</u>			<u>12 months ended</u> <u>31 December</u>		
		<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>	<u>+/(-)</u> <u>%</u>	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>	<u>+/(-)</u> <u>%</u>
<b>Revenue</b>	13	38,812	34,210	13.5	74,140	66,753	11.1
<b>Cost of sales</b>		(23,141)	(20,857)	11.0	(39,739)	(36,157)	9.9
<b>Gross profit</b>		15,671	13,353	17.4	34,401	30,596	12.4
Other income	14	2,530	1,305	93.9	2,977	3,279	(9.2)
Administrative expenses		(5,654)	(5,824)	(2.9)	(17,404)	(16,371)	6.3
Other expenses		(608)	(96)	>100	(829)	(106)	>100
Finance costs	15	(2,578)	(3,703)	(30.4)	(5,824)	(7,538)	(22.7)
<b>Profit before income tax</b>	16	9,361	5,035	85.9	13,321	9,860	35.1
Income tax expense	17	(2,120)	(1,810)	17.1	(3,286)	(3,174)	3.5
<b>Profit for the period, attributable to owners of the Company</b>		7,241	3,225	>100	10,035	6,686	50.1
<b>Earnings per ordinary share (cents):</b>							
<b>Basic</b>	19	5.99	2.67	>100	8.30	5.53	50.1
<b>Diluted</b>	19	5.99	2.67	>100	8.30	5.53	50.1

**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**  
**For the second half and financial year ended 31 December**

	<u>The Group</u>					
	<u>6 months ended</u>			<u>12 months ended</u>		
	<u>2025</u>	<u>2024</u>	<u>+ / (-)</u>	<u>2025</u>	<u>2024</u>	<u>+ / (-)</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>	<u>\$'000</u>	<u>\$'000</u>	<u>%</u>
<b>Profit for the period</b>	7,241	3,225	>100	10,035	6,686	50.1
<b>Other comprehensive income (loss):</b>						
<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	2,025	573	>100	1,812	1,391	30.3
Re-measurement of defined benefit obligations	(6)	(9)	(33.3)	(6)	(9)	(33.3)
Increase in valuation of freehold land - hotels	10,289	18,926	(45.6)	10,289	18,926	(45.6)
Revaluation gain on property, plant and equipment upon transfer to investment properties, net of tax	10,810	-	100.0	10,810	-	100.0
<b>Total</b>	<b>23,118</b>	<b>19,490</b>	<b>18.6</b>	<b>22,905</b>	<b>20,308</b>	<b>12.8</b>
<i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences on translation of foreign operations	9,446	9,797	(3.6)	7,077	4,994	41.7
<b>Other comprehensive income for the period</b>	<b>32,564</b>	<b>29,287</b>	<b>11.2</b>	<b>29,982</b>	<b>25,302</b>	<b>18.5</b>
<b>Total comprehensive income for the period, attributable to owners of the Company</b>	<b>39,805</b>	<b>32,512</b>	<b>22.4</b>	<b>40,017</b>	<b>31,988</b>	<b>25.1</b>

## STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December

<u>The Group</u>	<u>Share capital</u> <u>\$'000</u>	<u>Asset revaluation reserve</u> <u>\$'000</u>	<u>Employee benefit reserve</u> <u>\$'000</u>	<u>Fair value reserve</u> <u>\$'000</u>	<u>Foreign currency translation reserve</u> <u>\$'000</u>	<u>Retained earnings</u> <u>\$'000</u>	<u>Total</u> <u>\$'000</u>
Balance as at 1 January 2024	190,836	395,489	66	16,995	(24,146)	102,252	681,492
<i>Total comprehensive income for the year:</i>							
Profit for the year	-	-	-	-	-	6,686	6,686
Other comprehensive income (loss) for the year	-	18,926	(9)	1,125	4,994	266	25,302
Total	-	18,926	(9)	1,125	4,994	6,952	31,988
<i>Transactions with owners, recognised directly in equity:</i>							
Final dividend (Note 18)	-	-	-	-	-	(3,024)	(3,024)
Balance as at 31 December 2024	190,836	414,415	57	18,120	(19,152)	106,180	710,456
Balance as at 1 January 2025	190,836	414,415	57	18,120	(19,152)	106,180	710,456
<i>Total comprehensive income for the year:</i>							
Profit for the year	-	-	-	-	-	10,035	10,035
Other comprehensive income (loss) for the year	-	21,099	(6)	1,642	7,077	170	29,982
Total	-	21,099	(6)	1,642	7,077	10,205	40,017
<i>Transactions with owners, recognised directly in equity:</i>							
Final dividend (Note 18)	-	-	-	-	-	(3,266)	(3,266)
Balance as at 31 December 2025	190,836	435,514	51	19,762	(12,075)	113,119	747,207

**STATEMENTS OF CHANGES IN EQUITY (Continued)**  
**For the financial year ended 31 December**

	<u>Share capital</u> \$'000	<u>Asset revaluation reserve</u> \$'000	<u>Fair value reserve</u> \$'000	<u>Retained earnings</u> \$'000	<u>Total</u> \$'000
<i>The Company</i>					
Balance as at 1 January 2024	190,836	227,608	14,660	54,195	487,299
<i>Total comprehensive income for the year:</i>					
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 dividend (Note 18)	-	-	-	(3,024)	(3,024)
Balance as at 31 December 2024	190,836	234,708	14,411	69,633	509,588
Balance as at 1 January 2025	190,836	234,708	14,411	69,633	509,588
<i>Total comprehensive income for the year:</i>					
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 dividend (Note 18)	-	-	-	(3,266)	(3,266)
Balance as at 31 December 2025	190,836	241,408	15,462	69,200	516,906

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the financial year ended 31 December**

	<b><u>The Group</u></b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
<b>Operating activities</b>		
Profit before income tax	13,321	9,860
Adjustments for:		
Allowance for doubtful receivables	159	3
Bad debts	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
<b>Investing activities</b>		
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
Proceeds from disposal of property, plant and equipment	378	53
Purchase of financial assets held at fair value through other comprehensive income	-	(670)
Net cash used in investing activities	(3,985)	(13,044)

**CONSOLIDATED STATEMENT OF CASH FLOWS (continued)**  
**For the financial year ended 31 December**

	<b><u>The Group</u></b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
<b>Financing activities</b>		
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	<u>(8,800)</u>	<u>(1,794)</u>
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
<b>Cash and cash equivalents at end of year</b>	<b><u>22,607</u></b>	<b><u>17,809</u></b>

Cash and cash equivalents consist of :

	<b><u>The Group</u></b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
Cash on hand	124	188
Cash at bank	20,489	15,710
Fixed deposits	3,817	3,661
	<u>24,430</u>	<u>19,559</u>
Less: Fixed deposits pledged	(1,823)	(1,750)
<b>Total</b>	<b><u>22,607</u></b>	<b><u>17,809</u></b>

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

### 1. CORPORATE INFORMATION

Hotel Royal Limited (the “Company”) is incorporated and domiciled in Singapore.

These condensed interim financial statements as at and for the second half and financial year ended 31 December 2025 comprise the Company and its subsidiaries (collectively, the Group).

The principal activities of the Group are:

- (a) Owning and operating hotels and providing ancillary services (“hotel operations”);
- (b) Owning and letting out investment properties (“property investments”); and
- (c) Holding financial investments which comprise financial assets such as shares, bonds, funds and other financial products, to generate a stable stream of income through interest and dividends, and also for potential capital appreciation (“financial investments”)

### 2. BASIS OF PREPARATION

#### 2.1 *Statement of compliance*

The condensed interim financial statements of the Group and the Company for the second half and financial year ended 31 December 2025 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements of the Group and the Company do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.4.

The condensed interim financial statements of the Group and the Company are presented in Singapore dollar which is the Company’s functional currency and the presentation currency of the Group.

#### 2.2 *Basis of measurement*

The interim financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below.

The interim financial statements have been prepared on a going concern basis, since the directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group’s ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period.

#### 2.3 *Uses of estimates and judgements*

In preparing the condensed interim financial statements of the Group and the Company, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that any instances of application of judgements are not expected to have significant effect on the amounts recognised in the financial statements (apart from those involving estimates which are dealt with below).

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 8 - Freehold hotel land at revalued amounts
- Note 8 - Impairment of leasehold land, hotel building and building improvements (“leasehold land and hotel buildings”) and
- Note 9 - Investment properties at fair value

#### ***Measurement of fair value***

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 which market participants would take 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*.

In addition, for financial reporting purposes, 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. These levels are described below:

- Level 1 inputs are unadjusted quoted prices 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.

#### **2.4 *New and amended standards adopted by the Group***

On 1 January 2025, the Group and the Company adopted all the revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new and revised SFRS(I) pronouncements does not result in changes to the Group’s and the Company’s accounting policies and has no material financial effect on the amounts reported for the current or prior years.

### 3. SEASONAL OPERATIONS

The Group's businesses are generally not affected significantly by seasonal or cyclical factors during the financial period. However, the Group's operations and performance will continue to vary from period to period, depending on the conditions of the hospitality and leisure industry in the countries in which the Group operates.

### 4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Quoted bonds	1,883	2,488	-	349
Quoted 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
	<u>5,105</u>	<u>6,493</u>	<u>2,752</u>	<u>3,900</u>

The investments above offer the Group the opportunity for return through dividend income and fair value gains.

The fair values of quoted bonds, quoted funds and certain structured products are based on closing quoted market prices on the last market day of the financial year (Level 1).

The fair value of hedge funds and certain structured products are measured based on the net asset value of the funds provided by the fund managers (Level 2).

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".

### 5. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVTOCI")

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<i>Current assets</i>				
Quoted equity shares	3,418	5,166	221	178
<i>Non-current assets</i>				
Quoted equity shares	5,249	4,545	599	507
Unquoted equity share	15,796	14,879	15,796	14,879
	<u>21,045</u>	<u>19,424</u>	<u>16,395</u>	<u>15,386</u>
Total	<u>24,463</u>	<u>24,590</u>	<u>16,616</u>	<u>15,564</u>

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.

### ***Fair value measurement***

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.

*(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	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>The Group</u>						
Financial assets at fair value through profit or loss:						
- Quoted bonds	1,883	2,488	-	-	-	-
- Quoted 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

	Level 1		Level 2		Level 3	
	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
<u>The Company</u>						
Financial assets at fair value through profit or loss:						
- Quoted bonds	-	349	-	-	-	-
- Quoted funds	1,561	1,200	-	-	-	-
- Structured products	-	-	385	1,204	-	-
- Hedge funds	-	-	806	1,147	-	-
<hr/>						
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 period/year.

*Reconciliation of Level 3 fair value measurement:*

	<u>Financial assets at FVTOCI (Unquoted equity shares)</u> <u>2025</u> <u>\$'000</u>	<u>Financial assets at FVTOCI (Structured products and equity shares)</u> <u>2024</u> <u>\$'000</u>
<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”.

## 6. TRADE RECEIVABLES

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Trade receivables	2,990	2,414	423	292
Related parties <sup>(1)</sup>	13	19	-	-
Total	3,003	2,433	423	292
Less: Loss allowance	(293)	(125)	-	-
	<u>2,710</u>	<u>2,308</u>	<u>423</u>	<u>292</u>

(1) Entities in which certain directors of the Company have equity interest, hold significant influence and/or are key management personnel of the entities.

## 7. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Outside parties	144	92	10	-
Refundable deposits	2,257	933	273	271
Subsidiary	-	-	12	-
Prepaid expenses	619	895	155	154
	<u>3,020</u>	<u>1,920</u>	<u>450</u>	<u>425</u>

## 8. PROPERTY, PLANT AND EQUIPMENT

During the financial year ended 31 December 2025, the Group acquired assets amounting to \$5,293,000 (2024: \$13,666,000) and disposed assets amounting to \$390,000 (2024: \$155,000). The Group also transferred the hotel land and building located in Penang, Malaysia from property, plant and equipment to investment properties, following a change in the 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 \$32,152,000 over the carrying amount of \$20,141,000, amounting to \$12,011,000, 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 the hotel land and building. The lease is for an initial term of five (5) years, with an option to renew for up to three (3) additional terms of five (5) years each.

### Valuation processes, techniques and inputs used in Level 3 fair value measurements

The Group engages external, independent and qualified valuers to determine the fair value of the Group's land and buildings classified as property, plant and equipment and investment properties ("Group's properties"), on an annual basis and whenever their carrying amounts are likely to differ materially from their revalued amounts.

The Group classified fair value measurement using a fair value hierarchy that reflects the nature and complexity of the significant inputs used in making the measurement. As at 31 December 2025 and 2024, the fair value measurement of the Group's properties is classified within Level 3 of the fair value hierarchy. There were no transfers between different levels during the financial year.

In determining fair values, the valuers have used valuation techniques (including direct comparison method, income capitalisation method and discounted cash flow method) which involve certain estimates and significant unobservable inputs. The direct comparison method involves the analysis of comparable sales of similar properties and adjusting prices to those reflective of the properties. Income capitalisation method involves assessment of the income earning capacity and capitalised it at the adopted capitalisation rate to derive a core value. Discounted cash flow method recognises the time value of money by estimating the net present value of future cash flows.

## 9. INVESTMENT PROPERTIES

The Group's investment properties consist of both commercial and industrial properties, held for long-term rental yields and capital appreciation and are not occupied by the Group. They are leased to third parties under operating leases.

	<b>The Group</b>	
	<b><u>2025</u></b> <b><u>\$'000</u></b>	<b><u>2024</u></b> <b><u>\$'000</u></b>
Beginning of financial year	130,424	133,362
Additions	1,009	275
Reclassification from property, plant and equipment	32,152	-
Effect of recognising rental income on a straight line basis over the lease term	(71)	(24)
Fair value gain	2,220	659
Exchange adjustment	642	(3,848)
End of financial year	<u>166,376</u>	<u>130,424</u>

	<b>The Company</b>	
	<b><u>2025</u></b> <b><u>\$'000</u></b>	<b><u>2024</u></b> <b><u>\$'000</u></b>
Beginning of financial year	37,367	37,367
Fair value gain	983	-
End of financial year	<u>38,350</u>	<u>37,367</u>

Please refer to Note 8 for the valuation processes, techniques and inputs used in Level 3 fair value measurements for investment properties.

## 10. BANK LOANS / LONG-TERM BANK LOANS

	<b>The Group</b>		<b>The Company</b>	
	<b><u>2025</u></b> <b><u>\$'000</u></b>	<b><u>2024</u></b> <b><u>\$'000</u></b>	<b><u>2025</u></b> <b><u>\$'000</u></b>	<b><u>2024</u></b> <b><u>\$'000</u></b>
<b>Amount repayable within one year or on demand</b>				
Secured	<u>7,150</u>	<u>5,234</u>	-	460
<b>Amount repayable after one year</b>				
Secured	<u>152,100</u>	<u>157,461</u>	82,779	<u>80,455</u>

The bank borrowings are secured by mortgages on certain of the Company's and subsidiaries' freehold land and buildings and investment properties; and assignment of rental proceeds of certain subsidiaries' investment properties and a floating charge on certain Company's and subsidiaries' assets.

**11. OTHER PAYABLES**

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
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

**12(i). SHARE CAPITAL**

	<u>The Group and the Company</u>			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>Number of ordinary shares</u>	<u>Number of ordinary shares</u>	<u>\$'000</u>	<u>\$'000</u>
	<u>('000)</u>			
Issued and fully paid:				
Balance at beginning and end of year	120,960	120,960	190,836	190,836

**12(ii). TREASURY SHARES**

There are no treasury shares.

**12(iii). A STATEMENT SHOWING ALL SALES, TRANSFERERS, CANCELLATION AND /OR USE OF SUBSIDIARY HOLDINGS AS AT THE END OF THE CURRENT FINANCIAL PERIOD REPORTED ON**

Not applicable. The Company did not have any such subsidiary holdings during and as at the end of the current financial period reported on.

### 13. REVENUE

Revenue comprises the following:

	<b>The Group</b>	
	<b>Financial Year Ended 31 December</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
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
Total	<u>74,140</u>	<u>66,753</u>

### 14. OTHER INCOME

	<b>The Group</b>	
	<b>Financial Year Ended 31 December</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
Government grants	237	337
Write back of impairment loss on property, plant and equipment	-	1,267
Fair value gain on financial assets at FVTPL	225	71
Fair value gain on investment properties	2,220	659
Net foreign exchange adjustment gain	-	391
Interest from bank deposits	166	187
Other income	129	367
Total	<u>2,977</u>	<u>3,279</u>

### 15. FINANCE COSTS

	<b>The Group</b>	
	<b>Financial Year Ended 31 December</b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
Interest expense on bank loans	<u>5,824</u>	<u>7,538</u>

## 16. PROFIT BEFORE INCOME TAX

In addition to the charges and credits disclosed elsewhere in the notes to the interim financial statements, profit before income tax is arrived at after charging:

	<b><u>The Group</u></b>	
	<b><u>Financial Year Ended 31 December</u></b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
Loss on disposal of property, plant and equipment	12	102
Depreciation expense	7,375	7,079
Impairment loss on property, plant and equipment	220	-
Allowance for doubtful receivables	159	3
Bad debts expenses	35	-
Net foreign exchange adjustment loss	402	-

## 17. INCOME TAX EXPENSE

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<b><u>The Group</u></b>	
	<b><u>Financial Year Ended 31 December</u></b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
	<b><u>\$'000</u></b>	<b><u>\$'000</u></b>
Current tax	1,705	1,788
Withholding tax	224	416
Deferred tax	1,286	1,018
	<u>3,215</u>	<u>3,222</u>
(Over) Under provision in prior years:		
- current tax	(137)	(190)
- deferred tax	208	142
	<u>71</u>	<u>(48)</u>
Total income tax expense	<u>3,286</u>	<u>3,174</u>

## 18. DIVIDENDS

In 2025, 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).

## 19. EARNINGS PER ORDINARY SHARE (EPS)

	<b><u>The Group</u></b>	
	<b><u>Financial Year Ended 31 December</u></b>	
	<b><u>2025</u></b>	<b><u>2024</u></b>
EPS (based on consolidated profit after taxation)		
- on weighted average number of shares (cents)	8.30	5.53
- on a fully diluted basis (cents)	8.30	5.53

Basic profit per share is calculated based on the Group's profit after income tax expense of \$10.035 million (2024: \$6.686 million) divided by 120.96 million ordinary shares (2024: 120.96 million).

Diluted profit per ordinary share are the same as basic profit per ordinary shares as there were no dilutive potential ordinary shares.

## 20. NET ASSET VALUE (NAV)

	<u>The Group</u>		<u>The Company</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
NAV per share based on issued number of shares as at the end of the respective period (\$)	6.18	5.87	4.27	4.21

The NAV per share as at 31 December 2025 and 31 December 2024 were calculated based on the number of shares in issue of 120.96 million ordinary shares.

## 21. OPERATING SEGMENTS

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”).

### I Revenue

For second half ended 31 December

	<u>External</u>		<u>Inter-segment</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<b>Hotel operations</b>						
Singapore	14,906	15,613	-	-	14,906	15,613
Malaysia	11,388	9,452	3	-	11,391	9,452
Thailand	8,631	5,544	4	-	8,635	5,544
	<u>34,925</u>	<u>30,609</u>	<u>7</u>	<u>-</u>	<u>34,932</u>	<u>30,609</u>
<b>Property investments</b>						
Singapore	626	574		49	626	623
New Zealand	2,286	2,348	-	-	2,286	2,348
Malaysia	572	272	-	-	572	272
	<u>3,484</u>	<u>3,194</u>		<u>49</u>	<u>3,484</u>	<u>3,243</u>
<b>Financial investments</b>	<u>403</u>	<u>407</u>	<u>-</u>	<u>1,562</u>	<u>403</u>	<u>1,969</u>
<b>Segments total</b>	<u>38,812</u>	<u>34,210</u>	<u>7</u>	<u>1,611</u>	<u>38,819</u>	<u>35,821</u>

**II Net profit (loss)**  
**For second half ended 31 December**

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
<b>Hotel operations</b>		
Singapore	4,588	4,640
Malaysia	3,188	3,478
Thailand	1,158	(1,019)
	<u>8,934</u>	<u>7,099</u>
<b>Property investments</b>		
Singapore	1,059	1,281
New Zealand	1,162	(40)
Malaysia	277	(13)
	<u>2,498</u>	<u>1,228</u>
<b>Financial investments</b>	<u>507</u>	<u>411</u>
<b>Segments total</b>	11,939	8,738
Finance costs	<u>(2,578)</u>	<u>(3,703)</u>
<b>Profit before income tax</b>	9,361	5,035
Income tax expense	<u>(2,120)</u>	<u>(1,810)</u>
<b>Profit after income tax</b>	<u>7,241</u>	<u>3,225</u>

**III Other segment information**  
**For second half ended 31 December**

	<u>Depreciation</u>		<u>Additions to</u> <u>non-current assets</u>	
	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
<b>Hotel operations</b>				
Singapore	1,126	1,143	1,978	3,175
Malaysia	1,905	1,981	1,080	3,837
Thailand	544	428	355	2,199
	<u>3,575</u>	<u>3,552</u>	<u>3,413</u>	<u>9,211</u>
<b>Property investments</b>				
Singapore	-	-	-	-
New Zealand	-	-	655	17
Malaysia	-	-	-	-
	<u>-</u>	<u>-</u>	<u>655</u>	<u>17</u>
<b>Consolidated total</b>	<u>3,575</u>	<u>3,552</u>	<u>4,068</u>	<u>9,228</u>

**IV Geographical information**  
**For second half ended 31 December**

Information about the Group's revenue and non-current assets by geographical locations are described below:

	<u>Revenue from</u>		<u>Non-current assets</u>	
	<u>external customers</u>			
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Singapore	15,936	16,594	538,468	522,173
Malaysia	11,960	9,724	203,734	185,346
New Zealand	2,285	2,348	57,561	57,650
Thailand	8,631	5,544	96,307	96,756
	<u>38,812</u>	<u>34,210</u>	<u>896,070</u>	<u>861,925</u>

**I Revenue**  
**For financial year ended 31 December**

	<u>External</u>		<u>Inter-segment</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<b>Hotel operations</b>						
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
	<u>66,535</u>	<u>59,215</u>	<u>7</u>	<u>-</u>	<u>66,542</u>	<u>59,215</u>
<b>Property investments</b>						
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
	<u>6,914</u>	<u>6,921</u>	<u>-</u>	<u>98</u>	<u>6,914</u>	<u>7,019</u>
<b>Financial investments</b>	<u>691</u>	<u>617</u>	<u>-</u>	<u>4,219</u>	<u>691</u>	<u>4,836</u>
<b>Segments total</b>	<u>74,140</u>	<u>66,753</u>	<u>7</u>	<u>4,317</u>	<u>74,147</u>	<u>71,070</u>

**II Net profit**  
**For financial year ended 31 December**

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
<b>Hotel operations</b>		
Singapore	6,953	8,745
Malaysia	3,572	2,607
Thailand	4,564	3,027
	<u>15,089</u>	<u>14,379</u>
<b>Property investments</b>		
Singapore	1,332	1,505
New Zealand	1,510	279
Malaysia	561	521
	<u>3,403</u>	<u>2,305</u>
<b>Financial investments</b>	<u>653</u>	<u>714</u>
<b>Segments total</b>	19,145	17,398
Finance costs	<u>(5,824)</u>	<u>(7,538)</u>
<b>Profit before income tax</b>	13,321	9,860
Income tax expense	<u>(3,286)</u>	<u>(3,174)</u>
<b>Profit after income tax</b>	<u>10,035</u>	<u>6,686</u>

**III Segment assets and liabilities**  
**For financial year ended 31 December**

	<u>Segment assets</u>		<u>Segment liabilities</u>	
	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
<b>Hotel operations</b>				
Singapore	474,769	461,288	4,819	3,526
Malaysia	150,978	165,098	3,542	3,739
Thailand	103,962	103,383	3,005	2,890
	<u>729,709</u>	<u>729,769</u>	<u>11,366</u>	<u>10,155</u>
<b>Property investments</b>				
Singapore	48,709	47,328	55	109
New Zealand	58,232	58,416	642	484
Malaysia	60,590	26,170	-	-
	<u>167,531</u>	<u>131,914</u>	<u>697</u>	<u>593</u>
<b>Financial investments</b>	<u>34,644</u>	<u>32,912</u>	<u>18</u>	<u>24</u>
<b>Segments total</b>	931,884	894,595	12,081	10,772
Unallocated items	<u>3,887</u>	<u>3,730</u>	<u>176,483</u>	<u>177,097</u>
<b>Consolidated total</b>	<u>935,771</u>	<u>898,325</u>	<u>188,564</u>	<u>187,869</u>

**IV Other segment information**  
**For financial year ended 31 December**

	<u>Depreciation</u>		<u>Additions to non-current assets</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<b>Hotel operations</b>				
Singapore	2,297	2,300	2,905	3,558
Malaysia	4,023	3,956	1,889	7,569
Thailand	1,055	823	560	2,539
	<u>7,375</u>	<u>7,079</u>	<u>5,354</u>	<u>13,666</u>
<b>Property investments</b>				
Singapore	-	-	-	-
New Zealand	-	-	1,009	275
Malaysia	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,009</u>	<u>275</u>
<b>Consolidated total</b>	<u>7,375</u>	<u>7,079</u>	<u>6,363</u>	<u>13,941</u>

**V Geographical information**  
**For financial year ended 31 December**

Information about the Group's revenue and non-current assets by geographical location are described below:

	<u>Revenue from external customers</u>		<u>Non-current assets</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Singapore	30,220	31,651	538,468	522,173
Malaysia	21,897	16,930	203,734	185,346
New Zealand	4,519	4,769	57,561	57,650
Thailand	17,504	13,403	96,307	96,756
	<u>74,140</u>	<u>66,753</u>	<u>896,070</u>	<u>861,925</u>

## 22. SUBSEQUENT EVENTS

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

## 23. 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:

	<b>The Group</b>		
	<b>31 December 2024</b>		
	<b>As previously reported</b>	<b>Reclassification</b>	<b>As reclassified</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cost of sales	(30,979)	(5,178)	(36,157)
Distribution costs	(1,193)	1,193	-
Administrative expenses	(20,356)	3,985	(16,371)

	<b>The Group</b>		
	<b>6 months ended 31 December 2024</b>		
	<b>As previously reported</b>	<b>Reclassification</b>	<b>As reclassified</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cost of sales	(15,679)	(5,178)	(20,857)
Distribution costs	(572)	572	-
Administrative expenses	(10,430)	4,606	(5,824)

## OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

### 1. AUDIT

The statement of financial positions of the Company and its subsidiaries as at 31 December 2025, consolidated statement of profit or loss, consolidated statement of comprehensive income, statements of changes in equity, consolidated statement of cash flows and explanatory notes have not been audited or reviewed by the Company's auditor.

### 2. REVIEW OF GROUP PERFORMANCE

#### a) Condensed Interim Statement of Profit or Loss

##### i. REVENUE

Revenue comprises the following:

	<b>The Group</b>		<b>+ / (-)</b>
	<b>Full Year Ended 31 December</b>		
	<b><u>2025</u></b>	<b><u>2024</u></b>	<b><u>%</u></b>
	<b>\$'000</b>	<b>\$'000</b>	
Hotel operations:			
Room revenue	53,000	47,448	11.7
Food and beverage revenue	9,321	7,789	19.7
Spa revenue	553	444	24.5
Car park revenue	416	418	(0.5)
Rental income	2,801	2,732	2.5
Others	444	384	15.6
Property investments:			
Rental income	6,914	6,921	(0.1)
Financial investments:			
Interest income from investments	189	140	35.0
Dividend income from:			
Quoted equity investments	363	359	1.1
Unquoted equity investments	139	118	17.8
Total	<u>74,140</u>	<u>66,753</u>	<u>11.1</u>

##### ***Room revenue***

Group room revenue increased by 11.7% for FY2025 compared to FY2024 was mainly due to improved room occupancy and upward adjustment of room rates in some of the Group's hotels. The increase was further improved by additional room inventory contributed by Hotel Royal Signature in Malaysia.

##### ***Food and beverage revenue***

The increase in food and beverage revenue by 19.7% for FY2025 compared to FY2024 was mainly due to higher breakfast sales driven by increased occupancy rates as well as stronger restaurant revenue contributions from a hotel in Malaysia.

##### ***Rental income from within premises***

The increase in rental income from within premises by 2.5% for FY2025 compared to FY2024 was mainly due to higher rental income resulting from improved occupancy rates.

##### ii. Cost of Sales

The increase in cost of sales by 9.9% for FY2025 compared to FY2024 was in line with the increase in revenue, reflecting higher operating costs incurred to support increased business activities across the Group's hotels.

**iii. Other income**

Other income decreased by 9.2% in FY2025 compared to FY2024, mainly due to the absence of a write back of impairment losses on property, plant and equipment relating to the Group's Thailand and Malaysia properties. This was partially offset by higher fair value gains on investment properties recognised during the current financial year.

**iv. Administrative expenses**

The increase in administrative expenses by 6.3% for FY2025 compared to FY2024 was mainly due to higher overhead expenses, especially the payroll costs, in the Group's hotels, as well as the impact of a full year operations at Hotel Royal Signature in Malaysia.

**v. Other expenses**

Other expenses increased in FY2025 compared to FY2024, 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.

**vi. Finance costs**

The decrease in finance costs by 22.7% for FY2025 compared to FY2024 was mainly due to repayment of bank loans and lower interest rates in FY2025 as most of the Group's borrowings are repriced at short intervals.

**vii. Income tax expense**

The 3.5% increase in income tax expense for FY 2025 compared to FY 2024 was primarily due to higher taxable income in some of the Group's hotels.

**viii. Net profit of segment performance for the full year ended 31 December**

	<u>2025</u> <u>\$'000</u>	<u>The Group</u> <u>Net profit</u> <u>2024</u> <u>\$'000</u>	<u>+ / (-)</u> <u>%</u>
Hotel operations	15,089	14,379	4.9
Property investments	3,403	2,305	47.6
Financial investments	653	714	(8.5)
Segments total	19,145	17,398	10.0
Finance costs	(5,824)	(7,538)	(22.7)
<b>Profit before income tax</b>	<b>13,321</b>	<b>9,860</b>	<b>35.1</b>
Income tax expense	(3,286)	(3,174)	3.5
<b>Profit after income tax</b>	<b>10,035</b>	<b>6,686</b>	<b>50.1</b>

The hotel operations segment recorded an increase in performance of \$0.710 million, rising from \$14.379 million in FY2024 to \$15.089 million in FY2025. The improvement was primarily attributable to stronger performance at the Group's hotels in Thailand and Malaysia.

Net profit for the property investments segment increased from \$2.305 million in FY2024 to \$3.403 million in FY2025, mainly due to higher fair value gains recognised during the year.

The financial investments segment reported a decrease in net profit of \$0.061 million, declining to \$0.653 million in FY2025. The reduction was primarily due to foreign exchange losses arising from investments denominated in United States dollars.

(a) **Condensed Interim Statement of Financial Position**

**Total assets (Group)** as at 31 December 2025 increased by \$37.446 million from \$898.325 million to \$935.771 million.

The increase was mainly due to:

- An increase in valuation of the Group's freehold land by \$10.289 million, renovation and upgrading costs amounting to \$5.354 million, and a foreign exchange gain of \$8.565 million arising from translation of property, plant and equipment in Malaysian Ringgit and Thai Baht into Singapore Dollars.
- A revaluation gain of \$10.810 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 \$2.220 million on investment properties.

**Total liabilities (Group)** as at 31 December 2025 increased by \$0.695 million from \$187.869 million to \$188.564 million.

The increase was mainly due to:

- An increase in deferred tax liabilities of \$3.112 million, primarily arising from deferred tax recognised on the revaluation surplus in the Group's Malaysia properties.
- An increase in trade and other payables of \$1.231 million, mainly due to higher accruals recorded in Singapore properties in respect of operating expenses incurred and timing differences in payment during the financial year.

The increase was partially offset by:

- A decrease in bank loans of \$3.445 million, resulting from net repayments of bank borrowings during the financial year.

(b) **Condensed Interim Statement of Cash Flows**

**Net cash from operating activities** was derived from the operating activities of the hotel, investment properties and fund management.

**Net cash used in investing activities** was primarily due to renovation works for Hotels in Singapore, Malaysia and Thailand.

**Net cash used in financing activities** was mainly due to dividend payments and net principle loan repayment.

3. **VARIANCE FROM A FORECAST OR PROSPECT STATEMENT**

No forecast or prospect statement was previously issued in respect of the current reporting period.

#### 4. OUTLOOK

Hotel Royal Group delivered a strong performance in 2025, achieving a year-on-year revenue increase of 11.1%. The improvement in profitability was primarily driven by stronger hotel management practices and the continued stabilization of operations in Malaysia.

Looking ahead, Singapore's tourism outlook is expected to remain challenging amid a strong Singapore dollar and shifts in regional travel patterns. Malaysia is expected to record modest tourism growth in 2026. Tourism in Thailand is likely to remain volatile as the country continues to pivot its visitor mix away from the China market.

Notwithstanding these headwinds, management continues to focus on operational efficiency with an eye on cost control, as well as enhancing product and service offerings, strengthening brand perception and online visibility to drive operating performance across the Group's hotels.

Fluctuations in exchange rates of the New Zealand dollar, United States dollar, Malaysian ringgit and Thai baht against Singapore dollar will continue to influence the Group's financial results.

#### 5. DIVIDENDS

##### (a) Current Financial Period Reported On

The following dividend is proposed for the financial year ended 31 December 2025:

##### **First and Final Dividend**

Name of Dividend	First and final
Dividend Type	Cash
Dividend Rate	3.0 cents per ordinary share (one-tier tax exempt)
Tax Rate	Exempt

The proposed first and final dividend is subject to approval by the shareholders of the Company at the forthcoming Annual General Meeting.

##### (b) Corresponding Period of the Immediately Preceding Financial Year

The following dividend was declared for the FY2024:

##### **First and Final Dividend**

Name of Dividend	First and final
Dividend Type	Cash
Dividend Rate	2.7 cents per ordinary share (one-tier tax exempt)
Tax Rate	Exempt

No interim dividend was recommended for the corresponding period of the immediately preceding financial year.

**(c) Total Annual Dividend**

	<u>2025</u> <u>\$'000</u>	<u>2024</u> <u>\$'000</u>
<b>Ordinary dividends paid:</b>		
Interim	-	-
Final	3,266	3,024
	<u>3,266</u>	<u>3,024</u>

**(d) Date payable**

To be announced at a later date.

**(e) Books closure date**

To be announced at a later date.

**6. DISCLOSURE PURSUANT TO RULE 706A OF THE LISTING MANUAL**

During FY 2025 and as at the date of this announcement, there were no changes to the Company's and the Group's shareholding percentage in its respective subsidiaries or associated companies nor incorporation of any new subsidiary or associate by the Company or any of the Group's entities.

**7. INTERESTED PERSON TRANSACTIONS**

There were no interested person transactions of \$100,000 or more for the period under review. The Group does not have a general mandate from its shareholders for interested person transactions.

**8. CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS**

The Company has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

**9. PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO THE DIRECTORS, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDERS**

Pursuant to Rule 704(13) of the Listing Manual of SGX-ST, we set out below the persons holding managerial positions in the Group who are related to the Directors, Chief Executive Officer (CEO) or substantial shareholders of the Company or of any of its principal subsidiaries:

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr. Lee Chou Hock (BAcc, MBA)	72	<p>Nephew of Lee Khin Tien and Lee Kin Hong, directors of the Company</p> <p>Brother of Lee Chou Hor George, a director of the Company</p> <p>Cousin of Lee Chu Muk, a director of the Company</p>	<p>Joined the group in 1985.</p> <p>Presently the Chief Executive Officer of the Company. His duties include the general management of the Group.</p>	Nil

9. **PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO THE DIRECTORS, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDERS**  
(Continued)

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mr. Lee Zongye Zach (BA.Arch, M.Arch, M.Des Real Estate)	43	<p>Son of Mr. Lee Chou Hock, CEO</p> <p>Grand-nephew of Lee Khin Tien and Lee Kin Hong, directors of the Company</p> <p>Nephew of Lee Chou Hor George and Lee Chu Muk, directors of the Company</p>	<p>Joined the group in 2018.</p> <p>He was promoted to Deputy Chief Executive Officer on 1 December 2024.</p> <p>He will support the CEO in overseeing and managing key operations within the Company and the Group, providing operational leadership to advance the Group's strategic objectives in Singapore and in the Company's overseas operations.</p>	Nil
Ms. Lee Si Min (Bachelor of International Hotel and Tourism Management)	37	<p>Daughter of Lee Kin Hong, a director of the Company</p> <p>Niece of Lee Khin Tien, a director of the Company</p> <p>Cousin of Lee Chou Hor George and Lee Chu Muk, directors of the Company</p> <p>Cousin of Lee Chou Hock, CEO</p>	<p>Joined the group in January 2020. She was promoted to Country General Manager on 1 December 2024.</p> <p>She will be responsible for overseeing the management and operations of the hotels and investment properties within Singapore.</p>	Nil

**9. PERSONS OCCUPYING MANAGERIAL POSITIONS WHO ARE RELATED TO THE DIRECTORS, CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDERS**  
*(Continued)*

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Mrs. Wong Siew Choo	80	<p>Sister of Lee Khin Tien and Lee Kin Hong, directors of the Company</p> <p>Aunt of Lee Chou Hor George and Lee Chu Muk, directors of the Company</p> <p>Aunt of Lee Chou Hock, CEO</p>	<p>Joined the Company in 1973.</p> <p>Revenue Controller of the Company and alternate Company Secretary (since 2 August 1975).</p> <p>Her duties include the overall supervision of the Company's cash management and credit control.</p> <p>Mrs. Wong Siew Choo has retired, and her last day was 31 December 2025.</p>	Nil

**BY ORDER OF THE BOARD**

Sin Chee Mei  
 Company Secretary

27 February 2026