



HOTEL PROPERTIES LIMITED

RESPONSE TO QUERIES FROM SGX-ST ON THE ANNUAL REPORT OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The Board of Directors (the “Board”) of Hotel Properties Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) would like to provide the response set out below to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 26 April 2023 in relation to the Company's annual report for the financial year ended 31 December 2022 (“Annual Report”) published on 6 April 2023.

Unless otherwise stated, all capitalised terms used herein shall have the meanings ascribed to them in the Annual Report.

Question 1

In accordance with Listing Rule 710A(2), the Company is required to disclose, inter alia, the following in relation to its board diversity policy:

- (a) the Company's targets to achieve diversity on its board;
- (b) the Company's accompany plans and timelines for achieving the targets; and
- (c) the Company's progress towards achieving its targets within the timelines.

We note that the Company has a target for a least one director with recent and relevant accounting experience or related financial management expertise and experience and one director with real estate background but has not disclosed (b) and (c) in its annual report. Please disclose accordingly.

Response

The Board and Nominating Committee (“NC”) recognise the importance of an appropriate balance and diversity of industry knowledge, skills, backgrounds, experience and professional qualifications in building an effective Board. For this purpose, the NC reviews the Board's collective skills matrix regularly.

As and when the circumstances arise for the Board to appoint a new director, the NC will nominate the most suitable candidate (taking into account the relevant skillsets and diversity) based on the set objectives of the Board. We will continuously assess the collective character of our Board and our skills matrix to evaluate the benefit of having more directors with a wide spectrum of experience and expertise and/or other requisite expertise. The Company takes the approach that maintaining a satisfactory level of diversity is an ongoing process. Any progress made towards our Board Diversity Policy will be disclosed in our future annual reports.

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Question 2

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the “Code”), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 8.1 of the Code with regards to the disclosure of names, amounts and breakdown of remuneration its directors, and there were no explanations in the FY2022 annual report on how its practices is consistent with the intent of Principle 8 of the Code. Please clarify how the practices the Company had adopted with respect to its disclosures on directors' remuneration are consistent with the intent of Principle 8 of the Code.

Response

The Company has disclosed the remuneration of each individual director in bands of \$250,000 and provided breakdown on page 110 of our FY2022 annual report. The Company believes such disclosure will balance the interest of the Company and provide shareholders with an adequate appreciation of the Directors' remuneration packages and is consistent with the intent of Principle 8 of the Code.

For and on behalf of
Hotel Properties Limited
27 April 2023

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