

HOTEL PROPERTIES LIMITED

(Registration No. 198000348Z)

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED

DECEMBER 31, 2025

HOTEL PROPERTIES LIMITED

INTERIM FINANCIAL STATEMENTS

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CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS AND FULL YEAR ENDED DECEMBER 31, 2025

SECTION 1 - CONDENSED INTERIM FINANCIAL STATEMENTS

A(i). Condensed Interim Consolidated Income Statement

	Note	GROUP \$'000			
		2H'2025	2H'2024	FY2025	FY2024
Revenue	4	364,248	345,631	742,687	692,928
Cost of sales	5	(295,907)	(284,151)	(589,187)	(549,192)
Gross profit		68,341	61,480	153,500	143,736
Other operating income ^(a)	5	9,205	39,376	14,493	51,339
Administrative expenses ^(b)		(45,884)	(41,900)	(90,668)	(78,821)
Other operating expenses	5	(13,406)	(11,074)	(23,708)	(17,102)
Finance costs		(57,225)	(55,453)	(108,217)	(105,634)
Share of results of associates and jointly controlled entities		(23,406)	(58,553)	(15,707)	(57,487)
Loss before income tax and fair value changes in investment properties		(62,375)	(66,124)	(70,307)	(63,969)
Net fair value gain in investment properties		4,052	96,632	31,376	96,632
(Loss) Profit before income tax	5	(58,323)	30,508	(38,931)	32,663
Income tax expense	6	(9,628)	(20,424)	(17,562)	(26,039)
(Loss) Profit after income tax		(67,951)	10,084	(56,493)	6,624
Attributable to:					
Owners of the Company		(57,655)	32,143	(46,215)	27,218
Non-controlling interests		(10,296)	(22,059)	(10,278)	(20,594)
		(67,951)	10,084	(56,493)	6,624
(Loss) Earnings per ordinary share (Cents):					
- basic		(11.74)	5.47	(10.43)	3.86
- diluted		(11.74)	5.47	(10.43)	3.86

Basic (loss) earnings per ordinary share is calculated based on the Group net (loss) profit attributable to ordinary shareholders after deducting provision for distribution to perpetual capital securities holders divided by the weighted average number of ordinary shares in issue (excluding treasury shares) during the period.

Note:

- Other operating income for FY2024 included a distribution of \$38.7 million in relation to the completion of Brillia Tower Dojima residential apartments in Osaka, which the Group has a 25% share via a partnership arrangement.
- The increase in Administrative expenses is mainly due to full year operations of Four Seasons Hotel Osaka and The Boathouse Pulau Tioman in FY2025 as the hotels were opened in August and July 2024 respectively.

A(ii). Condensed Interim Consolidated Statement of Other Comprehensive Income

	GROUP			
	\$'000			
	2H'2025	2H'2024	FY2025	FY2024
(Loss) Profit after income tax	(67,951)	10,084	(56,493)	6,624
Other comprehensive (loss) income (net of tax):				
<i>Item that will not be reclassified subsequently to profit or loss</i>				
Remeasurement of defined benefit obligation	(119)	215	(119)	215
Share of other comprehensive income (loss) of a jointly controlled entity	-	(1,905)	1,161	(9,878)
	(119)	(1,690)	1,042	(9,663)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange fluctuation and other reserves	13,583	18,274	(9,777)	19,448
Share of other comprehensive income (loss) of associates and jointly controlled entities	(2,889)	(11,461)	16,052	(79)
	10,694	6,813	6,275	19,369
Total comprehensive (loss) income	(57,376)	15,207	(49,176)	16,330
Attributable to:				
Owners of the Company	(48,130)	41,626	(44,058)	40,233
Non-controlling interests	(9,246)	(26,419)	(5,118)	(23,903)
	(57,376)	15,207	(49,176)	16,330

B. Condensed Interim Statements of Financial Position

	Note	GROUP \$'000		COMPANY \$'000	
		Dec 31, 2025	Dec 31, 2024	Dec 31, 2025	Dec 31, 2024
ASSETS					
Current assets:					
Cash and bank balances		96,753	131,308	6,777	48,621
Trade and other receivables ^(a)		58,657	113,211	5,086	5,811
Amount due from associates and jointly controlled entities		56,881	57,620	-	-
Amount due from subsidiaries		-	-	102,901	150,024
Inventories		16,339	16,982	94	113
Completed properties held for sale		7,834	7,655	-	-
Total current assets		236,464	326,776	114,858	204,569
Non-current assets:					
Associates and jointly controlled entities ^(b)		815,863	753,216	5,217	5,410
Subsidiaries		-	-	2,096,521	1,831,139
Investments	9	117,194	133,353	-	-
Property, plant and equipment	10	1,808,757	1,841,896	220,331	220,971
Investment properties	11	1,526,807	1,416,565	-	-
Long-term deposit ^(a)		23,423	-	10,076	-
Deferred tax assets		4,784	3,296	-	-
Intangible assets		9,556	9,617	-	-
Total non-current assets		4,306,384	4,157,943	2,332,145	2,057,520
Total assets		4,542,848	4,484,719	2,447,003	2,262,089
LIABILITIES AND EQUITY					
Current liabilities:					
Short-term borrowings ^(c)	12	42,832	236,326	-	219,880
Trade and other payables		183,631	175,150	16,843	17,509
Amount due to subsidiaries		-	-	-	7,191
Income tax payable		6,650	9,066	-	-
Total current liabilities		233,113	420,542	16,843	244,580
Non-current liabilities:					
Advances from subsidiaries		-	-	348,112	264,942
Long-term borrowings ^(c)	12	1,854,144	1,539,236	1,021,750	698,777
Long-term lease liabilities		104,878	105,977	-	-
Deferred tax liabilities		17,122	18,982	313	547
Total non-current liabilities		1,976,144	1,664,195	1,370,175	964,266
Share capital and reserves:					
Share capital	13	757,854	735,265	757,854	735,265
Treasury shares		(1,746)	(1,746)	(1,746)	(1,746)
Reserves		1,350,980	1,431,142	145,077	160,924
Equity attributable to owners of the Company		2,107,088	2,164,661	901,185	894,443
Perpetual capital securities		158,800	158,800	158,800	158,800
		2,265,888	2,323,461	1,059,985	1,053,243
Non-controlling interests		67,703	76,521	-	-
Total equity		2,333,591	2,399,982	1,059,985	1,053,243
Total liabilities and equity		4,542,848	4,484,719	2,447,003	2,262,089

Note:

- The decrease in Trade and other receivables is primarily due to reclassification of deposit placed for collective sale of Concorde Hotel and Shopping Mall to Investment properties upon completion. The increase in Long-term deposit relates to deposits placed for the acquisition of a New Zealand-incorporated company which owns The Intercontinental Auckland and other investments.
- The increase in Associates and jointly controlled entities is mainly attributable to further investments and advances during the year, including equity contribution and advances of approximately \$20.6 million to associates and jointly controlled entities in which certain director and/or substantial shareholder are deemed to have interest and all joint venture partners contributed in proportion to their shareholding.
- Short-term borrowings decreased mainly due to repayment of notes due in June 2025 and the increase in Long-term borrowings is mainly attributable to new notes issued.

C. Condensed Interim Statements of Changes in Equity

	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Other reserves** \$'000	Share-holders' equity \$'000	Perpetual capital securities \$'000	Subtotal \$'000	Non-controlling interests \$'000	Total equity \$'000
GROUP									
Balance as at Jan 1, 2024	726,780	(1,746)	1,528,083	(99,261)	2,153,856	159,214	2,313,070	84,364	2,397,434
Total comprehensive income (loss) for the year									
Profit (Loss) for the year	-	-	27,218	-	27,218	-	27,218	(20,594)	6,624
Other comprehensive income (loss) for the year	-	-	1,598	11,417	13,015	-	13,015	(3,309)	9,706
Total	-	-	28,816	11,417	40,233	-	40,233	(23,903)	16,330
Transactions with owners, recognised directly in equity									
Dividends	-	-	(31,366)	-	(31,366)	-	(31,366)	-	(31,366)
Net movement during the year	-	-	(2)	2,914	2,912	-	2,912	16,060	18,972
Issue of shares	8,485	-	-	(1,614)	6,871	-	6,871	-	6,871
Total	8,485	-	(31,368)	1,300	(21,583)	-	(21,583)	16,060	(5,523)
Issue of perpetual capital securities	-	-	-	-	-	158,800	158,800	-	158,800
Redemption of perpetual capital securities	-	-	(786)	-	(786)	(159,214)	(160,000)	-	(160,000)
Distribution to perpetual capital securities holders	-	-	(7,059)	-	(7,059)	-	(7,059)	-	(7,059)
Balance as at Dec 31, 2024	735,265	(1,746)	1,517,686	(86,544)	2,164,661	158,800	2,323,461	76,521	2,399,982
Total comprehensive income (loss) for the year									
Loss for the year	-	-	(46,215)	-	(46,215)	-	(46,215)	(10,278)	(56,493)
Other comprehensive income (loss) for the year	-	-	(746)	2,903	2,157	-	2,157	5,160	7,317
Total	-	-	(46,961)	2,903	(44,058)	-	(44,058)	(5,118)	(49,176)
Transactions with owners, recognised directly in equity									
Dividends	-	-	(21,093)	-	(21,093)	-	(21,093)	-	(21,093)
Net movement during the year	-	-	1,894	(4,797)	(2,903)	-	(2,903)	(3,700)	(6,603)
Issue of shares	22,589	-	-	(3,308)	19,281	-	19,281	-	19,281
Total	22,589	-	(19,199)	(8,105)	(4,715)	-	(4,715)	(3,700)	(8,415)
Distribution to perpetual capital securities holders	-	-	(8,800)	-	(8,800)	-	(8,800)	-	(8,800)
Balance as at Dec 31, 2025	757,854	(1,746)	1,442,726	(91,746)	2,107,088	158,800	2,265,888	67,703	2,333,591

** Includes exchange fluctuation reserve, hedge reserve, option reserve and other capital reserve.

C. Condensed Interim Statements of Changes in Equity (cont'd)

	Share capital \$'000	Treasury shares \$'000	Retained profits \$'000	Option reserve \$'000	Shareholders' equity \$'000	Perpetual capital securities \$'000	Total equity \$'000
COMPANY							
Balance as at Jan 1, 2024	726,780	(1,746)	150,386	10,688	886,108	159,214	1,045,322
Total comprehensive income for the year							
Profit for the year	-	-	40,675	-	40,675	-	40,675
Total	-	-	40,675	-	40,675	-	40,675
Transactions with owners, recognised directly in equity							
Dividends	-	-	(31,366)	-	(31,366)	-	(31,366)
Issue of shares	8,485	-	-	(1,614)	6,871	-	6,871
Total	8,485	-	(31,366)	(1,614)	(24,495)	-	(24,495)
Issue of perpetual capital securities	-	-	-	-	-	158,800	158,800
Redemption of perpetual capital securities	-	-	(786)	-	(786)	(159,214)	(160,000)
Distribution to perpetual capital securities holders	-	-	(7,059)	-	(7,059)	-	(7,059)
Balance as at Dec 31, 2024	735,265	(1,746)	151,850	9,074	894,443	158,800	1,053,243
Total comprehensive income for the year							
Profit for the year	-	-	17,354	-	17,354	-	17,354
Total	-	-	17,354	-	17,354	-	17,354
Transactions with owners, recognised directly in equity							
Dividends	-	-	(21,093)	-	(21,093)	-	(21,093)
Net movement during the year	-	-	2,012	(2,012)	-	-	-
Issue of shares	22,589	-	-	(3,308)	19,281	-	19,281
Total	22,589	-	(19,081)	(5,320)	(1,812)	-	(1,812)
Distribution to perpetual capital securities holders	-	-	(8,800)	-	(8,800)	-	(8,800)
Balance as at Dec 31, 2025	757,854	(1,746)	141,323	3,754	901,185	158,800	1,059,985

D. Condensed Interim Consolidated Statement of Cash Flows

	Note	Year ended Dec 31, 2025 \$'000	Year ended Dec 31, 2024 \$'000
Cash flows from operating activities:			
(Loss) Profit before income tax and share of results of associates and jointly controlled entities		(23,224)	90,150
Adjustments for:			
Amortisation of intangible assets		53	53
Depreciation expense		94,655	86,745
Net fair value gain in investment properties		(31,376)	(96,632)
Net fair value loss in investments	5	16,313	1,525
Net loss on disposal of property, plant and equipment	5	1,253	550
Finance costs		108,217	105,634
Interest income	5	(916)	(3,041)
Dividend income	5	(1,440)	(4,567)
Profit before working capital changes		163,535	180,417
Trade and other payables		14,892	11,957
Trade and other receivables		3,285	(23,530)
Inventories		(120)	(1,019)
Cash generated from operations		181,592	167,825
Dividend received		1,440	4,567
Income tax paid		(20,549)	(24,928)
Net cash from operating activities		162,483	147,464
Cash flows used in investing activities:			
Additional property, plant and equipment and right-of-use asset		(105,682)	(213,351)
Additional investment properties		(37,816)	-
Additional long-term deposit		(13,734)	-
Net (additional) repayment from investments		(390)	569
Net investment in associates and jointly controlled entities		(62,837)	(117,010)
Proceeds from disposal of investments		-	86,678
Proceeds from disposal of property, plant and equipment		778	534
Net cash used in investing activities		(219,681)	(242,580)
Cash flows from financing activities:			
Interest received		916	3,041
Finance costs paid		(99,464)	(98,368)
Repayment of lease liabilities		(2,774)	(2,434)
Dividend paid	7	(21,093)	(31,366)
Distribution to perpetual capital securities holders		(8,800)	(7,059)
Net receipts from non-controlling shareholders		1,866	12,406
Additional borrowings		477,060	508,729
Repayment of borrowings		(344,042)	(261,323)
Decrease in deposits under pledge to bank		231	3,276
Redemption of perpetual capital securities		-	(160,000)
Net proceeds from issue of perpetual capital securities		-	158,800
Proceeds from issue of shares		19,281	6,871
Net cash from financing activities		23,181	132,573
Net (decrease) increase in cash and cash equivalents		(34,017)	37,457
Cash and cash equivalents at beginning of year		128,660	91,077
Effect of exchange rate changes on cash balances held in foreign currencies		(455)	126
Cash and cash equivalents at end of year		94,188	128,660

Cash and cash equivalents at end of year

The cash and cash equivalents as at December 31, 2025, for the purposes of Consolidated Statement of Cash Flows, comprise of cash and bank balances less deposits under pledge to banks of \$2,565,000 (December 31, 2024: \$2,648,000).

E. Notes to the Condensed Interim Financial Statements

1. Corporate Information

Hotel Properties Limited ("The Company") is incorporated in Singapore and listed on the Singapore Exchange Securities Trading Limited. The principal business activities of the Group are those of hotel ownership, management and operation, property development and investment holding.

2. Basis of Preparation

The condensed interim financial statements as at and for the six months and full year ended December 31, 2025, have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim financial statements 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 interim financial statements for the period ended June 30, 2025.

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 that are mandatory for financial years beginning on or after January 1, 2025. The adoption of these revised SFRS(I)s and amendments has no significant impact to the Group.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

2.1. Use of Judgements and Estimates

In preparing the condensed interim financial statements, 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 December 31, 2024.

3. Segment Information

The segment information of the Group is organised into the following reportable segments:

Hotels

These refer mainly to the operations of the hotels and the shopping galleries of the Group as well as the provision of hotel management services. Income is derived mainly from the rental of rooms and shop units, sale of food and beverage and management fee.

Properties

These refer to the rental and sale operations on residential properties and commercial units. Sales and profit from the condominium development projects in Singapore are recognised based on percentage of completion method, and those from overseas projects are recognised based on completion of construction method.

Others

These refer to distribution and retail operations, activities on quoted and unquoted investments and others.

3. Segment Information (cont'd)

Information by business segment

Second Half ended December 31, 2025

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	352,834	11,411	3		364,248
Inter-segment sales	-	174	-	(174)	-
Total revenue	352,834	11,585	3	(174)	364,248
RESULTS					
Profit (Loss) before interest and tax	25,979	1,266	(9,484)		17,761
Finance costs					(57,225)
Interest income					495
Share of results of associates and jointly controlled entities	(4,332)	(15,232)	(3,842)		(23,406)
Loss before fair value changes					(62,375)
Fair value changes in investment properties		4,052			4,052
Loss before income tax					(58,323)
Income tax expense					(9,628)
Non-controlling interests					10,296
Loss attributable to shareholders of the Company					(57,655)
Segment assets	1,955,915	1,570,915	118,560		3,645,390
Investment in equity accounted investees	264,820	601,299	6,625		872,744
Unallocated corporate assets					24,714
Consolidated total assets					4,542,848
Segment liabilities	279,634	8,191	391		288,216
Unallocated corporate liabilities					1,921,041
Consolidated total liabilities					2,209,257

3. Segment Information (cont'd)

Information by business segment (cont'd)

Second Half ended December 31, 2024

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	333,953	11,675	3		345,631
Inter-segment sales	-	174	-	(174)	-
Total revenue	333,953	11,849	3	(174)	345,631
RESULTS					
Profit (Loss) before interest and tax	14,841	38,389	(5,883)		47,347
Finance costs					(55,453)
Interest income					535
Share of results of associates and jointly controlled entities	(563)	(57,521)	(469)		(58,553)
Loss before fair value changes					(66,124)
Fair value changes in investment properties		96,632			96,632
Profit before income tax					30,508
Income tax expense					(20,424)
Non-controlling interests					22,059
Profit attributable to shareholders of the Company					32,143
Segment assets	1,992,767	1,489,978	133,654		3,616,399
Investment in equity accounted investees	254,772	550,644	5,420		810,836
Unallocated corporate assets					57,484
Consolidated total assets					4,484,719
Segment liabilities	272,049	8,440	352		280,841
Unallocated corporate liabilities					1,803,896
Consolidated total liabilities					2,084,737

3. Segment Information (cont'd)

Information by business segment (cont'd)

Year ended December 31, 2025

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	719,773	22,908	6		742,687
Inter-segment sales	-	347	-	(347)	-
Total revenue	719,773	23,255	6	(347)	742,687
RESULTS					
Profit (Loss) before interest and tax	65,524	2,212	(15,035)		52,701
Finance costs					(108,217)
Interest income					916
Share of results of associates and jointly controlled entities	(4,138)	(5,923)	(5,646)		(15,707)
Loss before fair value changes					(70,307)
Fair value changes in investment properties		31,376			31,376
Loss before income tax					(38,931)
Income tax expense					(17,562)
Non-controlling interests					10,278
Loss attributable to shareholders of the Company					(46,215)
Segment assets	1,955,915	1,570,915	118,560		3,645,390
Investment in equity accounted investees	264,820	601,299	6,625		872,744
Unallocated corporate assets					24,714
Consolidated total assets					4,542,848
Segment liabilities	279,634	8,191	391		288,216
Unallocated corporate liabilities					1,921,041
Consolidated total liabilities					2,209,257

3. Segment Information (cont'd)

Information by business segment (cont'd)

Year ended December 31, 2024

	Hotels \$'000	Properties \$'000	Others \$'000	Elimination \$'000	Consolidated \$'000
REVENUE					
External sales	669,621	23,301	6		692,928
Inter-segment sales	-	347	-	(347)	-
Total revenue	669,621	23,648	6	(347)	692,928
RESULTS					
Profit before interest and tax	53,318	39,962	2,831		96,111
Finance costs					(105,634)
Interest income					3,041
Share of results of associates and jointly controlled entities	(1,897)	(54,312)	(1,278)		(57,487)
Loss before fair value changes					(63,969)
Fair value changes in investment properties		96,632			96,632
Profit before income tax					32,663
Income tax expense					(26,039)
Non-controlling interests					20,594
Profit attributable to shareholders of the Company					27,218
Segment assets	1,992,767	1,489,978	133,654		3,616,399
Investment in equity accounted investees	254,772	550,644	5,420		810,836
Unallocated corporate assets					57,484
Consolidated total assets					4,484,719
Segment liabilities	272,049	8,440	352		280,841
Unallocated corporate liabilities					1,803,896
Consolidated total liabilities					2,084,737

4. Revenue

	GROUP \$'000			
	2H'2025	2H'2024	FY2025	FY2024
Hotel revenue	351,953	332,882	718,151	667,626
Rental income	11,041	11,314	22,169	22,587
Management fee	1,254	1,435	2,367	2,715
Total	364,248	345,631	742,687	692,928

Hotel room revenue is recognised at a point in time based on room occupancy while other hotel revenue are recognised at a point in time when the goods are delivered or the services are rendered to the customers.

Management fee income is recognised when services are rendered over the contractual period.

5. Profit Before Income Tax

The following items have been included in arriving at profit before income tax:

	GROUP \$'000			
	2H'2025	2H'2024	FY2025	FY2024
Dividend income*	(2,310)	1,340	1,440	4,567
Interest income*	495	535	916	3,041
Depreciation and amortisation**	(48,231)	(45,095)	(94,708)	(86,798)
Net allowance for doubtful trade receivables*	(3)	(167)	(40)	(395)
Net fair value loss in investments*	(7,015)	(7,038)	(16,313)	(1,525)
Net foreign exchange gain (loss)*	1,027	(665)	283	(334)
Net adjustment for (under) over provision of tax in respect of prior years	(215)	(891)	(873)	687
Net loss on disposal of property, plant and equipment*	(1,318)	(521)	(1,253)	(550)
Pre-opening expenses incurred for new hotels*	-	(2,685)	-	(8,255)
Insurance proceeds*	3,510	4,538	4,320	4,538

Note:

* Included in Other operating income (expenses).

** Included in Cost of sales.

5.1. Related Party Transactions

Significant related party transactions during the year, other than those disclosed elsewhere in the financial statements, are as follows:

	GROUP \$'000			
	2H'2025	2H'2024	FY2025	FY2024
Transactions with companies in which certain director and/or substantial shareholder are deemed to have interests:				
Management fee and other expense	(1,450)	(1,004)	(2,429)	(1,963)
Interest expense	(2,106)	(2,305)	(2,106)	(2,305)
Management fee income	635	700	1,386	1,619
Hotel revenue and rental income	3,737	3,447	6,184	6,033
Transactions with associates:				
Management fee income	496	456	859	817

6. 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 income statement are:

	GROUP \$'000			
	2H'2025	2H'2024	FY2025	FY2024
Current tax	(9,957)	(18,535)	(17,473)	(26,026)
Deferred tax	544	(998)	784	(700)
	(9,413)	(19,533)	(16,689)	(26,726)
(Under) Over provision of tax in respect of prior years	(215)	(891)	(873)	687
	(9,628)	(20,424)	(17,562)	(26,039)

7. Dividends

	GROUP \$'000	
	Year ended Dec 31, 2025	Year ended Dec 31, 2024
Ordinary dividends paid:		
First and final one-tier tax exempt dividend of 4 cents per share		
(2024: First and final one-tier tax exempt dividend of 4 cents per share and a one-tier tax exempt special dividend of 2 cents per share)	21,093	31,366

8. Net Asset Value

	Dec 31, 2025	Dec 31, 2024
Group	\$3.98	\$4.14
Company	\$1.70	\$1.71

Net asset value per ordinary share is calculated based on net assets excluding perpetual capital securities that is attributable to the ordinary shareholders divided by the number of issued shares (excluding treasury shares) of the Company.

9. Financial Assets Measured at Fair Value

	GROUP \$'000	
	Dec 31, 2025	Dec 31, 2024
Financial assets measured at FVTPL	117,194	133,353

9.1. Financial Value Measurement

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:

- a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- b) 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
- c) Level 3 inputs are unobservable inputs for the asset or liability.

The table below analyses financial instrument carried at fair value, by valuation method.

	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Group - Dec 31, 2025				
<i>Financial assets</i>				
Investments	117,194	23,537	-	*93,657
Group - Dec 31, 2024				
<i>Financial assets</i>				
Investments	133,353	23,247	-	*110,106

*The key unobservable input used to determine this fair value is the net asset value. The higher the net asset value, the higher the fair value of the investments.

Reconciliation of level 3 fair value measurements:

	GROUP \$'000	
	Dec 31, 2025	Dec 31, 2024
<i>Unquoted investments:</i>		
Opening balance	110,106	121,673
Total net losses in profit or loss	(16,839)	(10,998)
Net purchases (repayment)	390	(569)
Closing balance	93,657	110,106

Financial liabilities

As at December 31, 2025, the carrying amount of certain notes payable and other long-term liabilities which bear fixed interest rates was \$836,820,000 and their fair value was \$850,690,000 (December 31, 2024: \$837,613,000 and \$823,022,000 respectively).

10. Property, Plant and Equipment

During the year ended December 31, 2025, the Group acquired assets amounting to \$105,682,000 (December 31, 2024: \$213,351,000) and disposed of assets with net book value amounting to \$2,031,000 (December 31, 2024: \$1,084,000).

As at December 31, 2025, commitments for purchase of property, plant and equipment contracted but not provided for amounted to \$28,352,000 (December 31, 2024: \$36,013,000).

11. Investment Properties

Valuation

The fair value of the investment properties at December 31, 2025, which represents their highest and best use, has been determined on the basis of valuation carried out at the year end date by independent valuers having an appropriate recognised professional qualification based on direct comparison method that reflects prevailing property market conditions and redevelopment opportunities as at this date.

The Group considers certain unobservable inputs used by the independent valuers in determining the fair value measurement of the Group's investment properties as sensitive to the fair value measurement. A change in these inputs will have a corresponding change in the fair valuation.

12. Borrowings

Aggregate Amount of Group's Borrowings and Debt Securities

Amount repayable in one year or less, or on demand

As at Dec 31, 2025		As at Dec 31, 2024	
Secured	Unsecured	Secured	Unsecured
\$42,832,000	-	\$16,446,000	219,880,000

Amount repayable after one year

As at Dec 31, 2025		As at Dec 31, 2024	
Secured	Unsecured	Secured	Unsecured
\$1,017,433,000	\$836,711,000	\$921,890,000	\$617,346,000

Details of any collateral

The above are secured by legal mortgages on properties of the Company and some subsidiaries, fixed and floating charges on assets of the Company and some subsidiaries and pledge of shares of certain subsidiaries.

13. Share Capital

13.1. Details of Any Changes in Company's Issued Share Capital

The Company issued 2,100,000 new ordinary shares for the current half year under review upon exercise of subscription rights by senior executives of the Company granted in conjunction with the Hotel Properties Limited Share Option Scheme 2010.

The newly issued shares rank pari passu in all respects with the existing shares of the Company.

As at December 31, 2025, the number of outstanding share options under the Company's Share Option Scheme was 7,050,000 (as at December 31, 2024: 14,625,000).

As at December 31, 2025, the Company held 515,300 (as at December 31, 2024: 515,300) treasury shares which represents 0.1% (as at December 31, 2024: 0.1%) of the total number of issued shares (excluding treasury shares).

13.2. Total Number of Issued Shares

	Dec 31, 2025	Dec 31, 2024
Total number of issued shares	530,440,251	523,965,251
Treasury shares	(515,300)	(515,300)
Total number of issued shares excluding treasury shares	529,924,951	523,449,951

13.3. Statement Showing All Sales, Transfers, Cancellation and/or Use of Treasury Shares

Not applicable. There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

13.4. Statement Showing All Sales, Transfers, Cancellation and/or Use of Subsidiary Holdings

Not applicable. There is no subsidiary holdings as at the end of the current financial period reported on.

14. Events after the reporting period

Subsequent to year end, the Group has completed the purchase of the entire issued share capital of a New Zealand-incorporated company which owns a freehold property known as The Intercontinental Auckland for a total consideration of approximately NZD184 million (equivalent to SGD140.9 million).

SECTION 2 - OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7.2

1. Audit Statement

The condensed consolidated statement of financial position of the Group as at December 31, 2025, and the related condensed consolidated income statement and statement of other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months and full year then ended and the notes to the condensed interim financial statements have not been audited or reviewed.

2. Review of Performance

For the year ended December 31, 2025, the Group recorded a revenue of \$742.7 million, which is 7.2% higher than the \$692.9 million recorded last year. Gross profit also increased from \$143.7 million for FY2024 to \$153.5 million for the year under review. The increase is mainly attributable to the opening of Four Seasons Hotel Osaka in August 2024.

The Group generated an operating profit before share of results of associates and jointly controlled entities, depreciation, amortisation, fair value changes and finance cost of \$163.5 million for the year under review compared to \$141.7 million for the previous year (excluding a non-recurring profit of \$38.7 million from completion of sold units in Brillia Tower Dojima in Osaka).

For the year ended December 31, 2025, the Group recorded a mark-to-market fair value loss of \$16.3 million on long-term investments compared to \$1.5 million last year. Finance cost increased from \$105.6 million last year to \$108.2 million for the year under review due to higher borrowings.

The Group's share of losses from associates and jointly controlled entities decreased from \$57.5 million for FY2024 to \$15.7 million for the year under review mainly due to lower fair value loss and a gain recorded by Paddington Square, London upon a favourable settlement of disputes with certain tenant.

After accounting for income tax and non-controlling interest, Group net loss attributable to shareholders for the year ended December 31, 2025 was \$46.2 million compared to a net profit of \$27.2 million last year.

3. Variance from Previous Forecast or Prospect Statement

Not applicable.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

According to a report by UN Tourism in January 2026, international tourist arrivals increased by 4% in 2025. This positive trend is expected to continue into 2026, assuming Asia and the Pacific continue to recover, global economic conditions stay favorable, and geopolitical conflicts do not escalate. The report also highlighted that although headline inflation eased worldwide in 2025, inflation in tourism-related services remain elevated by historical standards.

However, uncertainty stemming from geopolitical risks, ongoing conflicts, trade tensions, potential economic slowdowns, volatile interest rates, and extreme weather events could undermine consumer confidence and the overall business environment.

5. Dividend

(a) Current Financial Period Reported On

The Board of Directors has recommended a first and final one-tier tax exempt cash dividend of 4 cents per ordinary share in respect of the current financial year reported on. Payment of the said dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

(b) Corresponding Period of the Immediately Preceding Financial Year

The Company declared a first and final one-tier tax exempt cash dividend of 4 cents per ordinary share in respect of the immediately preceding financial year.

(c) Date payable

Will be announced at a later date.

(d) Books closure date

Notice will be given at a later date of the date of closure of the transfer books and register of members.

6. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

Not applicable.

7. Interested Person Transactions ("IPT")

The Group has not obtained a general mandate from shareholders for IPTs.

8. Review of Performance by Business Segments

Please refer to Section 2 paragraph 2 above.

9. Breakdown of Sales and Operating Profit (Loss)

	Latest Financial Year \$'000 Group	Previous Financial Year \$'000 Group	% increase/(decrease) Group
(a) Sales reported for first half year	378,439	347,297	8.97
(b) Operating loss after tax before deducting non-controlling interests reported for first half year**	(15,866)	(3,460)	358.55
(c) Sales reported for second half year	364,248	345,631	5.39
(d) Operating loss after tax before deducting non-controlling interests reported for second half year**	(72,003)	(86,548)	(16.81)

** excludes net fair value gain in investment properties.

10. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) of the Listing Manual

There are currently no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a director or chief executive officer or substantial shareholder of the Company.

11. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD

Joanna Lim Lan Sim
Company Secretary
February 27, 2026