



HOTEL PROPERTIES LIMITED

ANNUAL GENERAL MEETING TO BE HELD ON APRIL 30, 2026 RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS FROM SHAREHOLDERS

The Board of Directors of Hotel Properties Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to thank shareholders for submitting their questions in advance of the Annual General Meeting to be held on April 30, 2026.

The responses to the substantial and relevant questions are set out below:

- 1) The Group's revenue increase compared with previous year was commendable. However, finance costs also increased to \$108.2 million. Finance costs have been growing yearly and this is concerning. Please share how management plans to manage this cost.

Over the past few years, central banks around the world have raised interest rates in response to sustained inflation and ongoing economic uncertainty, which has driven up borrowing costs. Interest rates have recently begun to ease, however, the conflicts in the Middle East and the escalation of fuel prices are now introducing risk of rate hikes. In this environment, the Group actively monitors its debt portfolio, remaining vigilant to market developments in order to secure the most advantageous interest rates available.

- 2) The Rear block of Centrepoint was sold for a land rate of approximately \$2,577 psf ppr, as reported in the media recently. Compared with HPL's purchase of The Concorde Hotel & Shopping Mall at \$1,804 psf ppr, the premium paid for the Centrepoint rear bloc is more than 40% based on land rate. Given the wide frontage along Orchard road, and proximity to the future destination park, does the company plan to monetize this by selling Concorde? If there are no sale plans for Concorde, what are the company's plans for this site.

In view of the Urban Redevelopment Authority's plans to create a destination park in the vicinity of Concorde Hotel & Shopping Centre, the Group is closely monitoring this development and any asset optimization or redevelopment will be timed to harness the enhanced surrounding infrastructure and amenities.

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- 3) Voco Orchard/Forum Redevelopment: With reference to 14 August 2025, when the company announced half yearly results, page 14 indicated that "RSHP and DPA are scheduled to submit the revised redevelopment plans by August 24, 2025, in response to the Grant of Provisional Permission issued by the relevant authorities. This submission will include comprehensive Building Information Modelling (BIM) data to support the planning review and coordination process." Please share updates on this process, feedback from URA and when is the final approval from URA expected.

The company shared that JV partners may be sourced for the voco Orchard/Forum redevelopment plans. Given the recent interest in retail assets in Singapore, such as the recent Paragon sale, we would expect strong interest in this development. Can you share on the plans for this?

Can the company provide an estimate of the overall re-development cost and how it intends to fund the project?

We are currently in discussions with the relevant authorities as well as potential JV partners on this redevelopment and therefore not able to confirm exactly when the redevelopment plans will be finalised. Similarly, with the uncertainties, it is also not possible for us to share the plans in detail or provide an estimate of the redevelopment cost.

- 4) Given the Group's borrowing was close to \$2 billion, has the company identified assets for sale to reduce debt levels?

Asset recycling and monetization that will improve profitability will be considered. However, no concrete plans are currently on the table.

- 5) HPL has been continuously adding assets to its portfolio, the latest being Four Seasons Osaka and intercontinental Auckland. While assets are growing, the group has been making losses at the pretax level and before fair value gains/losses, a key reason being the high finance cost of >\$100m per annum. Has the group consider its capital structure and seek ways to optimise the balance sheet by divesting some assets? For example, our resorts portfolio across the world would be attractive to large hospitality group. Divesting some or all of these assets would give the group significant financial firepower to re-develop its Orchard Road bloc of assets. Alternatively, the group can bring in financial partners for the re-development of its Orchard Road assets, retaining say 30-40% of the overall project. Can the board respond how it thinks the current balance sheet is optimal when its cash outflows consistently exceeds its cash inflows?

The Company would like to thank the shareholder for the various suggestions. However, we would like to further clarify that the Group has been consistently generating positive operating cashflow.

- 6) Given the outbreak of the Iran war, are there any impact on occupancies of our Maldives assets given its reliance on European tourists?

Overall, our Maldivian resorts have been proactive in replacing business from guests who are unable to come with guests from other geographical sources. The impact has been not significant.

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- 7) Why is 70% owned HPL-Maldives in the red for the past 2 years?

The Group's resorts in Maldives have been undergoing major renovations over the last 2 years resulting in higher depreciation and lower revenue.

- 8) The Singapore market has done well since the launch of the EQDP and various value-unlock programs unveiled by MAS/SGX. HPL seems to have been left behind. What measures are the group taking on shareholder value creation?

The primary focus of the Board and Management, especially in this difficult environment, is to deliver sustainable profit and growth for our business, which will in turn translate into sustainable return for shareholders.

The initiative by the MAS and SGX is a commendable effort to uplift the Singapore equity market. We will monitor development closely and when appropriate, will consider participating in it to reap benefits for our shareholders.

By Order of the Board

Joanna Lim
Company Secretary
24 April 2026

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