

A close-up photograph of a woman with shoulder-length brown hair, smiling warmly. She is holding the hands of two children, one of whom is looking down intently. The scene is intimate and joyful, set against a soft, out-of-focus background.

Hotel Royal
LIMITED

ANNUAL REPORT 2024

Joy 心悅

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VISION

Every Room A Home

Our service credo "Every Room A Home" forms the DNA of our brand promise. It defines our guests' experiences – from the minute that they enter the hotel, right through to the comfort that our guest rooms offer as well as other service touchpoints within the hotel. It also drives the way we remember our guests' preferences, and how each staff member approaches our guests. At Hotel Royal, every guest is part of our family, and we prefer to treat them as one.

MISSION

It is by working all together, our **H**onour to serve you in every **O**pportunity because every **M**oment of truth with you counts for us to live up to your **E**xpectation.

"**HOME**" signifies our mission in providing excellent service to our guests.



Joy 心悅

Hotel Royal's brand promise of "Every Room A Home" embodies the essence of joy by transforming the travel experience into a comforting and personalized retreat. This approach prioritizes creating a warm, inviting atmosphere that resonates with guests, making them feel valued and at ease. From thoughtfully-designed rooms that reflect local culture to welcoming staff who go above and beyond to anticipate guests' needs, every detail is curated to evoke a sense of belonging. This commitment not only enhances the guest experience, it also fosters joyous memories that travelers carry with them long after their stay. By nurturing connections and providing an environment that feels like home, our hotels create a joyful sanctuary where guests can relax, recharge, and truly enjoy their time away from home. We endeavor to bring joy and delight to our guests – through our authentic hospitality that comes straight from the heart.

We define our brand of hospitality through service excellence. Our staff, who are truly the touch points of our brand, are continually inspired and equipped to carry out their roles with pride and professionalism. We know that this is critical if we want to keep our customer relationships dynamic and engaging. We continuously strive to refine our service offerings to meet evolving customer needs and preferences.



Corporate Profile



Listed on the Mainboard of the Singapore Exchange in 1968, Hotel Royal Limited owns a total of 8 hotels in Singapore, Malaysia and Thailand, with its latest acquisition of Hotel Royale Chulan Bukit Bintang in Kuala Lumpur in 2021. The 428-room hotel had been renamed Hotel Royal Signature.

The Group also owns Grand Complex, a prime commercial complex in the central business district of Wellington, New Zealand, which has approximately 278,000 square feet of lettable office and retail space, and 323 carpark lots.

Baba House, which is strategically located in the heart of Melaka's UNESCO Heritage Zone in West Malaysia, officially opened in January 2023 after a five-year refurbishment. The 100-room Baba House, known for its traditional Peranakan architecture, is minutes to Melaka's famed Jonker Street, and close to historical landmarks such as Stadthuys (Dutch Governor's House) and A'Famosa, as well as bustling shopping districts.

Meanwhile, the Group may acquire hotel and investment properties in the Asia-Pacific region to grow its portfolio when opportunities arise.

LUXURY COLLECTION

Our upscale Hotel Royal Signature-branded properties.

Hotel Royal Signature

Kuala Lumpur, Malaysia

CITY HOTEL COLLECTION

Comprising the Hotel Royal-branded hotels in major cities.

Hotel Royal Singapore

Singapore

Hotel Royal Queens

Singapore

Hotel Royal Kuala Lumpur

Kuala Lumpur, Malaysia

Hotel Royal Penang

Penang, Malaysia

Hotel Royal Bangkok

Bangkok, Thailand

BOUTIQUE COLLECTION

Hotels and resorts with unique personalities and character, such as Baba House and Burasari Resort.

Baba House

Melaka, Malaysia

Burasari Resort

Phuket, Thailand

Catch Up With The Chairman



" We are not seeking inorganic expansion at this stage; instead, we will prioritize brand development, consolidating operations and enhancing productivity and efficiency, in alignment with our Five-Year Plan."

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

1. Hello Mr. Yang, how has the year 2024 been for the Group?

It has been a strong year for the Group, driven by continued growth in tourist arrivals across Singapore, Malaysia, and Thailand, which has positively impacted our business performance. Rental income from our investment properties in New Zealand and Malaysia also saw a solid increase of 3.1% during the year.

We achieved a 33.3% increase in net profit attributable to shareholders, reaching \$6.7 million, supported by a 14.4% rise in Group revenue, which amounted to \$66.8 million. Our statement of financial position remains robust, with cash generated from operations growing by 37.8% to \$11.4 million. As of 31 December 2024, our cash and cash equivalents remain healthy at \$17.8 million.

2. How has the visa waivers by Singapore, Malaysia and Thailand helped in attracting more Chinese guests to your hotels?

Yes, projections indicate that visitor arrivals will continue to rise in the countries where we operate. In addition to the visa-free travel policies benefiting the Chinese market, visitor numbers were further boosted by increased flight frequencies and capacities.

Occupancy across the Group's hotels showed significant year-on-year improvement. Combined with upward adjustments in room rates, this led to a 16.1% increase in Group room revenue and a 29.9% rise in food and beverage sales for FY2024.

3. We hear that Baba House, which officially opened in 2023, is ready to commence its Phase 3 construction – what comprises Phase 3? When will that complete?

We are very excited about Baba House’s Phase 3 expansion, which will include 51 luxury suites and amenities such as new swimming pools and a pool bar. Construction is expected to commence in 2H 2025 and complete by end of 2027. This new expansion will offer a unique product to compliment the existing hotel and meet the demands of visitors to Melaka.

4. Scoot recently launched direct flights to Melaka – is this a sign of the city’s growing appeal?

The introduction of direct flights by Scoot, reflects both the city’s growing appeal, as well as the efforts of the state government to develop its tourism industry. In the past year, Melaka has seen a significant increase in visitors, particularly after the appointment of Chinese actress Fan Bingbing as the state’s tourism ambassador. Her involvement has helped raise the state’s profile and attract more tourists. Additionally, Malaysia’s visa waiver policy has contributed to a surge in visitors from China.

Beyond its historical and cultural appeal, Melaka has introduced new attractions such as Encore Melaka—an immersive performance that showcases the untold stories of the state’s diverse society. This 70-minute show features cutting-edge production elements, including a 360-degree rotating audience platform, a 240-meter-long stage, multi-lifting platforms, advanced sound and lighting, and 3D mapping projections that create a virtual reality experience, transporting viewers through time.

Furthermore, Singapore’s Scoot Airlines has expanded its operations to Melaka, now offering flights five times a week with its Embraer aircraft.

5. How is Hotel Royal Signature doing one year after its opening?

Hotel Royal Signature has successfully completed its renovation on time. The full inventory of rooms has been handed over to the management in December 2024 and are now being amenitized for sales. We expect sales to ramp up steadily and occupancy stabilized over the next twelve months.

6. What would be Hotel Royal’s growth strategy going forward?

In the short term, our strategy is to focus on driving growth in average room rates for our existing hospitality assets. We are not seeking inorganic expansion at this stage. Instead, we will prioritize brand development, consolidating operations and enhancing productivity and efficiency, in alignment with our Five-Year Plan.

7. What will shareholders look forward to by way of dividends for the year ended 31 December 2024?

Over the years, the Group has consistently rewarded our shareholders through dividends, and we have increased our dividend payout this year.

8. Thank you for sharing your thoughts with us. Do you have any parting words?

Yes, I’d like to take this opportunity to express my sincere gratitude to my fellow Directors for their collaboration and guidance as we navigate through these challenging times. I’d also like to extend a warm welcome to our new Director, and we look forward to working closely together.

Additionally, I want to acknowledge the hard work and unwavering dedication of our staff and management teams across all three countries. Your commitment to upholding our brand values is truly appreciated.

As we move forward, I hope we continue to embrace both the challenges and the excitement that life brings, and that we do so together—creating exceptional, lasting experiences for our guests.

18 March 2025

Conversation with the CEO



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

1. Hello Mr. Lee, great to catch up with you. Why is joy so important to the hospitality industry?

Hotel Royal's brand promise is "Every Room a Home", and the joy of home is an essential experience that we strive to deliver. This year, we've focused on cultivating joy in every interaction, from the warm welcome at check-in to the thoughtful amenities in each room. Our goal is to create an environment where both our guests and our team can truly thrive.

We spread positivity whenever we genuinely welcome and attend to our guests. Our sincere service and kindness are immediately recognized and appreciated, bringing joy into the moment. This sense of satisfaction is contagious – it rewards us too.

2. How do you motivate your staff across the Group to adopt this posture at the workplace?

Happy employees are more productive and provide better service. A joyful workplace fosters a positive culture, reduces turnover, and attracts top talent. When employees feel valued and enjoy their work, it shows in their interactions with guests.

True hospitality is an art, a practice rooted in empathy and a genuine desire to enhance the lives of others. We ensure that our staff, who are our ambassadors of the Hotel Royal brand, are committed to this service ethos.

3. Is this possible? After all, we do not always feel on top of the world, especially when we have to work long hours and deal with demanding customers. What is your secret to joy?

That is a very astute observation. Life and work are full of challenges and our employees understandably experience good and bad days. We try our best to create a positive work culture and robust support system to minimize the down days. We also proactively try to curate guest interactions with staff who are more proficient in delivering the joyful brand experience.

Hospitality should come from the heart. When we genuinely feel that we have an important role to fulfil, we foster positivity that emanates to everyone around us. Promoting joy benefits everyone involved. Guests leave feeling refreshed and happy, employees feel fulfilled, and businesses thrive. It's a win-win-win situation.

Our staff are reminded that when they extend kindness to our guests - whether it's a warm smile, a genuine compliment, or a thoughtful gesture, they show that our guests are valued and appreciated.

4. Tell us more about what you are doing to drum up customer loyalty.

In FY2024, Baba House launched its new loyalty program, Royal Rewards, designed to reward our loyal guests who have been supporting us since launch. Through this program, members earn Royal Rewards Points for expenses incurred at Baba House Melaka, including our F&B outlets. These reward points can then be redeemed for personalized benefits.

What sets Royal Rewards apart from typical loyalty programs is the thoughtful integration of unique benefits. One standout feature is the ability for members to pre-select rooms prior to their stay, similar to how airline seats are chosen. This provides guests with the assurance of comfort and a personalized experience. Additional perks such as early check-in, late checkout, and digital key cards further enhance convenience, while making our guests feel truly valued. We want to communicate that we have been eagerly awaiting their return.

We recognize that loyalty programs are a powerful strategy for cultivating lasting relationships with our customers. Hotels that prioritize such programs not only retain guests but also experience increased bookings, higher spending per guest, and the creation of emotional connections that transform guests into passionate brand advocates. Research shows that loyal guests tend to spend more, recommend our property to others, and prefer our hotel over competitors, even when prices differ.

Looking ahead, we plan to extend the Royal Rewards program to our other properties, further strengthening our commitment to providing exceptional value and service across our entire brand.

5. Any updates on your 5-Year Plan? What can we look forward to in FY2025?

Our short term plan is twofold. On the marketing and sales front, we plan to develop the Hotel Royal brand and cultivate a strong following. This should help us grow our revenue through increased room rates and occupancy. On the operating front, we plan to consolidate our operations and increase productivity. This will help us control our expenses more efficiently.

6. How do you bring joy to the community? Are there more that you can do?

Over the years, our hotels have recognized the importance of giving back to the communities where our properties are located. Each year, Burasari Resort takes part in the annual cleanup of Patong Beach, our hotels in Kuala Lumpur support local children's homes and nursing homes during festive seasons, and Baba House is currently a major partner in promoting local culture and arts. Despite having limited resources, we remain committed to making a positive impact wherever we can.

7. How are you doing with regard to sustainable practices in your hotels?

We are committed to adopting a balanced approach to managing and minimizing the environmental impact of our operations. As we transition to a low-carbon future, we continuously evaluate our energy consumption and greenhouse gas (GHG) emissions, striving to further reduce our carbon footprint. Our goal is to minimize environmental impacts while enhancing operational resilience, ensuring the delivery of long-term, sustainable value for our shareholders.

Our hotels have begun future proofing and readying itself for future sustainability efforts. This includes the introduction of water filters in hotel rooms, installation of rooftop gardens, as well as a push for guests to recycle.

8. What keeps you awake at night?

In such turbulent times, there would be many issues and concerns that are par for the course in any business. At the Group level, we are focused on maintaining high customer satisfaction levels and in streamlining our operations to upscale our productivity. At the same time, we are equally committed to managing our talent acquisition and retention in order to protect our brand.

Thank you for taking time to give us your perspectives. We hope to catch up with you again next year.

Business Review

HOSPITALITY

In FY2024, revenue from the Group's Hotel Operations grew by 16.1% to \$59.2 million in FY2024, with most of our hotels and resort reporting higher occupancy and room rates year-on-year. This led to a growth in earnings before interest and tax which reached S\$14.4 million.

SINGAPORE

During the year in review, revenue from our two hotels in Singapore rose by 3.5% to \$30.0 million. The reopening of China's borders following the pandemic had led to a significant increase in student groups traveling for exchange programs. Furthermore, the introduction of a 30-day visa-free agreement between Singapore and China in February 2024 further encouraged arrivals from China. The revival of MICE activities in Singapore, highlighted by concerts from globally recognised artists such as Taylor Swift and Coldplay, also contributed to the heightened demand for accommodations. The number of foreign tourists reached 16.5 million, up from 13.6 million the previous year.

We remain optimistic about the future of Singapore's hospitality sector, supported by the Singapore Tourism Board's positive forecast for FY2025. However, we must remain vigilant regarding the potential adverse effects stemming from ongoing geopolitical and trade tensions.

To address the challenging labour market in Singapore, our hotels are advancing their digital strategy to enhance operational efficiency and improve the guest experience. We are committed to ongoing training and upskilling of our staff to elevate our service standards.





THAILAND

Our two properties in Thailand generated total revenue of \$13.4 million, a slight decline from \$13.5 million in FY2023, mainly due to reduced room inventories resulting from ongoing renovation works.

The number of foreign tourists grew by 26.2% to reach 35.6 million largely due to the return of Chinese tourists to Thailand.

In the coming year, Thailand will inaugurate its Amazing Thailand Grand Tourism and Sports Year 2025, featuring a line-up of tourism festivals, prominent sporting competitions, and special travel benefits. These activities are designed to strengthen Thailand's status as a leading destination for tourism and sports on the global stage. The new travel campaign is targeting to attract 39 million international visitors and aims to generate 3 trillion Baht in tourism revenue by 2025. Through the Amazing Thailand Grand Tourism and Sports Year 2025, the country is poised to deliver an exceptional travel and sporting experience, drawing visitors and athletes from around the world while promoting long-term economic sustainability.

MALAYSIA

Revenue from our hotels in Malaysia jumped 85.1% to \$15.9 million in FY2024. The opening of Hotel Royal Signature in Kuala Lumpur in April 2024 contributed significantly to the Group's impressive results.

During the year in review, Malaysia recorded 22.5 million foreign tourist arrivals, an increase from 20.1 million in FY2023. The appointment of a well-known Chinese actress as an ambassador for Melaka significantly contributed to this rise in tourist numbers. Additionally, the decline in the value of the Malaysian Ringgit had positive impact on corporate and incentive travel.

The Malaysian government is actively working to boost tourism, which has historically been a vital component of the nation's economy. This effort includes financial support for the "Visit Malaysia Year 2026" initiative, aimed at encouraging both international and domestic travel. Additionally, the government is rolling out various measures to streamline the visa and employment pass approval processes, facilitating investments, contributions, and longer stays in the country. Furthermore, there will be a relaxation of the current requirements for Malaysia My Second Home (MM2H) applications. To enhance travel options, Kuala Lumpur International Airport is also seeing an expansion in flight connectivity, with airlines increasing their flight frequencies and route networks to and from Malaysia's aviation hubs.



Business Review

PROPERTY INVESTMENTS

Revenue from the Group's Property Investments increased by 3.1% year-on-year, reaching \$6.9 million in FY2024. This growth can be attributed to a heightened demand for retail and office spaces as the economic recovery accelerated. Consequently, rental rates also saw an upward trend.

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

SINGAPORE

- Metro Residence is a freehold 14-storey residential building, positioned on the northern side of Surrey Road, off Newton Road and approximately 5 kilometers from the city center. The property offers a total lettable area of around 1,720 square meters, within a predominantly residential locale with some commercial facilities located near Novena MRT station. Notable nearby developments include Hotel Royal Singapore, United Square, Novena Square, Velocity, and Mt. Elizabeth Novena Hospital and the upcoming North-South Corridor, among others. The Group holds a 91.63% ownership stake in the property, while the remaining 8.37% is held by a related entity.
- Kapo Factory Building is a freehold light industrial complex featuring two sub-blocks of 7-story flatted factories, located on the eastern side of Playfair Road, off Upper Paya Lebar Road, approximately 8 kilometers from the city center. The Group possesses one strata unit within the building, covering an area of about 157 square meters.
- Tong Lee Building is a freehold light industrial property consisting of two 10-story blocks. It is located on the north-eastern side of Kallang Pudding Road, accessible from Macpherson Road and Aljunied Road, roughly 7 kilometers from the city center. The Group owns four strata units in this building, totaling a lettable area of 1,108 square meters.

Outlook:

The Singapore residential property market is anticipated to experience price stabilisation in 2025, with the Property Price Index (PPI) expected to increase by 1 to 2%, closely mirroring inflation rates. This adjustment follows several years of robust growth, including a 3.9% increase in 2024 and a notable 6.8% rise in 2023.

The economy and employment are the primary factors influencing property buyer sentiment. They project Singapore's GDP growth to reach 2.8% year-on-year, which is at the higher end of the Ministry of Trade and Industry's forecast range of 1% to 3%. Furthermore, the unemployment rate is predicted to remain stable at around 2.6%, which will help sustain the property market.

Moreover, following a 100-basis point reduction in interest rates by the Federal Reserve since September of the previous year, there is an anticipation of a more favorable interest rate environment for potential homebuyers, enhancing affordability.

Nonetheless, we must stay vigilant against the uncertainties stemming from tariffs imposed by the new US administration.

The Group expects demand for light industrial properties to generally stay firm in 2025.





MALAYSIA - PENANG

Penang Plaza is a freehold commercial complex that is linked to Hotel Royal Penang by a bridge. This 10-storey building features a mix of retail and office spaces. Situated on Jalan Burma at the intersection with Jalan Larut, Penang Plaza offers a total lettable area of 5,956 square meters, with 2,378 square meters designated for retail and office use, along with 88 parking spaces. Notable anchor tenants include Giant, Guardian, and Noble Season Chinese Restaurant. The Group holds full ownership of the property.

Currently, the Group is working on the amalgamation and subdivision of the land associated with Hotel Royal Penang and Penang Plaza to enhance the development potential of both sites.

Outlook:

Penang's dual economic drivers—manufacturing, particularly in high-tech industries, and services, encompassing tourism and the digital economy—have played a pivotal role in the state's economic achievements over the years. This combination has allowed for economic diversification and job creation. The tourism sector is expected to experience significant growth in 2025, supported by an increase in airline routes and targeted marketing initiatives. Additionally, several major infrastructure projects are currently in progress in Penang, which are anticipated to enhance the attractiveness of its real estate market in the near future.

NEW ZEALAND - WELLINGTON

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

Outlook:

New Zealand's real estate market is characterised by a mix of encouraging trends and persistent obstacles. The performance of the property market differs greatly by region; Wellington, Auckland, and Hamilton are experiencing downturns, whereas Christchurch and Dunedin are witnessing slight improvements. The rental market is facing a deceleration, with annual growth now at 1%, which is considerably lower than the historical average. In Auckland, rental prices have remained unchanged, while Dunedin has experienced a notable rise.



IN SUMMARY

The Group anticipates a steady rise in room demand as the travel sector progresses. While the hospitality industry's future appears promising, it is essential to stay vigilant against the potential challenges that could impede the travel industries growth in Singapore, Malaysia and Thailand with the economic and geopolitical uncertainties, the supply

chain disruption in aviation, safety and security concerns, visa policy challenges, environmental and sustainability issues and infrastructure and logistical constraints. Additionally, variations in the exchange rates of the New Zealand dollar, Malaysian ringgit and Thai baht relative to the Singapore dollar will persist in influencing the Group's overall performance.

Board of Directors



MR. YANG WEN-WEI
Independent Non-Executive Chairman

Mr. Yang Wen-Wei was appointed to the Board of Directors as an Independent Non-Executive Director on 28 April 2018. Mr. Yang was re-designated as the Non-Executive Chairman of the Board on 24 April 2021.

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

Mr. Yang is currently the Executive Operating Officer for his family-run business, Merdeka Construction Company Pte Ltd. A commercially astute sales and business development professional in the Information Technologies industry, Mr. Yang has built a successful track record. During his diverse and rewarding career, he had the opportunity to work for a number of leading international companies and start-ups to proactively sell customised, technology-driven solutions in the competitive markets. Known for his consultative approach, he has collaborated with different data analytics companies to provide data analysis service to many clients.

He graduated from Northeastern University in America with a Master of Science, Electrical Engineering (Wireless Engineering).



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

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

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

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



MR. LEE KIN HONG
Non-Executive Director

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

He is currently a director of The Singapore-Johore Express (Private) Limited and has more than 40 years of experience in managing commercial, industrial and residential projects.

Mr. Lee graduated from the National University of Singapore with a Bachelor of Science (Building) and Master of Science (Project Management). He is also a member of the Singapore Institute of Building. Mr. Lee Kin Hong is an Honourable Chairman of Sian Chay Medical Institution, a charitable organisation registered with the Ministry of Health.



MR. LEE KHIN TIEN
Non-Executive Director

Mr. Lee Khin Tien was appointed to the Board of Directors on 31 December 1996 as a non-executive director. He is a member of the Audit and Risk Committee, Nominating and Remuneration Committee. He was last re-appointed as a director on 30 April 2022.

He is currently on the board of Aik Siew Tong Limited, Melodies Limited and The Singapore-Johore Express (Private) Limited. He has more than 40 years of experience in real estate, bus transportation and plantation business. He graduated from Nanyang University with a Bachelor of Science (Biology).



MS. LELAINA LIM SIEW LI
Non-Executive and Independent Director

Ms Lim Siew Li was appointed as Non-Executive and Independent Director and member of the Audit & Risk Committee on 1 September 2024.

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

Ms Lim has more than 40 years of extensive experience in accounting and finance, with a strong track record of leadership and performance in progressively senior roles across Singapore and China. She is currently serving as the Special Advisor to Eu Yan Sang International Limited, a position she has held since March 2025.

Prior to this, Ms Lim was the Chief Financial Officer at WEO Corporation Pte Ltd from May 2024 to March 2025, Group Chief Financial Officer at Eu Yan Sang International Limited from 2017 to 2023 and the Group Financial Director at Al Futtaim Private Co LLC from 2014 to 2017.

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



MR. LEE CHOU HOR GEORGE
Non-Executive Director

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

He has approximately 40 years of experience working in various organisations such as the Housing and Development Board, Singapore Airlines group and Hotel Royal Group. His areas of responsibilities included financial, leadership and management, as well as real estate and capital markets investments. He is currently the managing director of several companies in the family-owned/controlled group of companies.

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



DR. LEE CHU MUK
Non-Executive Director

Dr. Lee Chu Muk was appointed to the Board of Directors on 27 April 2019 as a non-executive director. He was last re-appointed as a director on 28 April 2023.

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

Dr. Lee graduated from the National University of Singapore (M.B.B.S) in 2003 and has accumulated experience in diagnostic imaging as well as managing acute and chronic medical conditions. He is a general practitioner in Singapura Clinic.

Senior Management



LEE CHOU HOCK
Chief Executive Officer

Mr. Lee Chou Hock joined the Group in 1985. He is responsible for the management of the day to day operations of the Company and its investments in the subsidiaries. Prior to joining Hotel Royal, he was with a public accounting firm in Singapore. He holds a Bachelor of Accountancy from the University of Singapore and a Master of Business Administration (Hospitality & Tourism Management) from Nanyang Technological University.



LEE ZONGYE ZACH
Deputy Chief Executive Officer

Mr. Lee Zongye Zach joined the Group in 2018 as the Director of Project Development before being promoted to Deputy Chief Executive Officer in December 2024. He 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.

Prior to joining Hotel Royal Group, he has experience as an Architect and Project Manager in the United States and Singapore. He holds a Masters Degree in Architecture from Cornell University, and a Masters Degree in Real Estate from Harvard University.



TEOW SEOK BOEY
Chief Financial Officer

Ms. Teow Seok Boey joined the Group in September 2022 as Chief Financial Officer. She oversees the Group's overall financial and accounting function.

Prior to joining Hotel Royal Group, she was a Senior Audit Manager with an international public accounting firm in Singapore. She holds a Bachelor of Accountancy (Honours) from University Utara Malaysia and is a member of Malaysian Institute of Accountants.



LEE SI MIN
Country General Manager (Singapore)

Ms. Lee Si Min joined the Group in 2020 as Assistant General Manager of Hotel Royal Queens before being promoted to General Manager in 2021 and Country General Manager (Singapore) in December 2024.

Prior to joining the Group, Si Min was a Senior Manager at the Singapore Tourism Board. She holds a Bachelor's Degree in International Hotel and Tourism Management (double major in Hospitality and Event Management) from the University of Queensland.

Our Business Footprint



Joy in Serving





Joy in serving at Hotel Royal stems from the unique opportunity to create memorable experiences for guests while fostering a vibrant and welcoming environment. Each interaction—whether greeting a guest at check-in, offering personalized recommendations, or addressing special requests—becomes an opportunity to make someone’s day brighter. The genuine smiles, heartfelt gratitude and occasional surprise of a guest finding joy in a thoughtful gesture are incredibly rewarding for our staff.

Corporate Milestones



1968

Incorporated and listed on Main Board of Singapore Exchange



1992

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



2007

- Disposal of Dapenso Building at Cecil Street Singapore
- Acquired Star Mansion at 1A Surrey Road Singapore



1969

Construction of Hotel Royal Singapore commenced



1995

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



2008

Purchased Hotel Royal Penang and Penang Plaza in Penang, Malaysia



1972

Hotel Royal Singapore commenced operations



2004

- Purchased Dapenso Building at 158 Cecil Street Singapore
- Purchased Hotel Royal Queens at Queen Street Singapore



2010

Acquired Hotel Royal Kuala Lumpur in Kuala Lumpur, Malaysia



2011

- Acquired Hotel Royal Bangkok@ Chinatown in Bangkok, Thailand
- Redevelopment of Royal Residences (formerly Star Mansion) at 1A Surrey Road completed



2017

Commencement of major upgrading of Baba House in Melaka into a heritage boutique hotel.



2021

Hotel Royal Bukit Bintang (former Royale Chulan Bukit Bintang Hotel) joins as the Group's second hotel in Kuala Lumpur, Malaysia.



2014

Acquired Burasari Resort in Phuket, Thailand



2018

Raised \$50.4 million through a Rights Issue of 16.8 million ordinary shares at \$3.00 each.



2022

Raised \$40.32 million through a Rights Issue of 20.16 million ordinary shares at \$2.00 each



2015

Acquired Baba House in Melaka, Malaysia



2019

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



2023

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



2024

- Official opening of Hotel Royal Signature in Kuala Lumpur
- Launched **Royal Rewards** loyalty programme
- Development of the Group's brand architecture

Group's Major Properties

Location	Name of Property	Description and Area	No. of Guest Rooms	Tenure
HOTELS				
Singapore	Hotel Royal Singapore Singapore	Land area of about 7,200 sqm Hotel building with built-up area of approximately 23,500 sqm	362	Freehold
	Hotel Royal Queens Singapore	Land area of about 1,979 sqm Hotel building with built-up area of approximately 14,605 sqm	236	Freehold
Malaysia	Hotel Royal Kuala Lumpur Kuala Lumpur	Land area of about 773 sqm Hotel building with built-up area of approximately 20,027 sqm	285	Freehold
	Hotel Royal Signature Kuala Lumpur	Land area of about 3,189 sqm Hotel building with built-up area of approximately 47,821 sqm	428	Freehold
	Hotel Royal Penang Penang	Land area of about 3,495 sqm Hotel building with built-up area of approximately 28,569 sqm	281	Freehold
	Baba House¹ Melaka	Land area of about 4,138 sqm Hotel building with built-up area of approximately 10,428 sqm	100	Freehold / Leasehold
Thailand	Hotel Royal Bangkok Bangkok	Land area of about 1,480 sqm Hotel building with built-up area of approximately 19,082 sqm	290	Freehold
	Burasari Resort Phuket	Land area of about 6,722 sqm Hotel building built-up area of approximately 11,441 sqm	184	Freehold
Total Number of Guest Rooms			2,166	

Location	Name of Property	Description and Area	Tenure
INVESTMENT PROPERTIES			
Singapore	Metro Residences² Singapore	Land area of about 718 sqm Residential building with total lettable area of about 1,720 sqm (The Company has a 91.63% share of the above property. The remaining 8.37% is owned by a related party)	Freehold
	Kapo Factory Building Singapore	Flatted factory unit Strata floor area of about 157 sqm	Freehold
	Tong Lee Building Singapore	Factory unit Strata floor area of about 277 sqm each (total of 1,108 sqm)	Freehold
Malaysia	Penang Plaza Penang	Land area of about 5,498 sqm Shopping centre and offices with total lettable retail area of 5,956 sqm; total lettable office area of 2,378 sqm and 88 carpark lots	Freehold
New Zealand	Grand Complex Properties Wellington	Land area of about 6,872 sqm Shopping centre and offices with lettable retail area of 4,336 sqm; Childcare of 793 sqm and lettable office area of 20,683 sqm and 323 carpark lots	Freehold

¹ 50.09% is freehold and 49.91% is leasehold

² Previously known as Royal Residences



Hotel Royal Singapore



Hotel Royal Queens



Metro Residences



Hotel Royal Signature



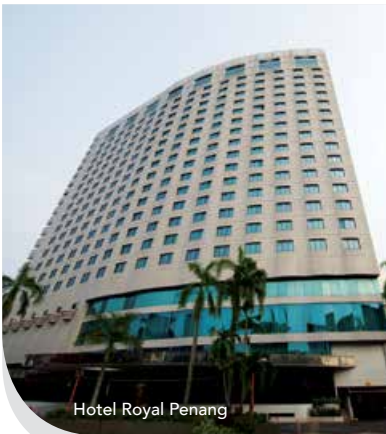
Hotel Royal Kuala Lumpur



Baba House



Burasari Resort



Hotel Royal Penang



Penang Plaza



Hotel Royal Bangkok

Group's Financial Highlights

	2024	2023	2022	2021	2020
For the year (\$'000)					
Revenue	66,753	58,340	41,890	26,280	30,618
Gross Profit	35,774	30,097	18,441	6,643	10,035
Earnings (Loss) before Interest, Taxation, Depreciation and Amortisation (EBITDA)	24,477	22,353	12,733	(71)	(8,962)
Profit (Loss) before income tax	9,860	8,035	(1,629)	(10,317)	(18,508)
Net Profit (Loss) attributable to Owners of the Company	6,686	5,014	(3,207)	(10,037)	(19,258)
Finance Costs	(7,538)	(8,356)	(5,797)	(4,163)	(2,971)
Cash from (used in) Operating Activities	11,354	8,238	6,968	(3,033)	(3,243)
Capital Expenditure	13,941	18,398	10,222	74,297	9,955
At year end (\$'000)					
Total Assets	898,325	864,080	860,505	827,698	823,512
Total Liabilities	187,869	182,588	195,053	216,846	149,732
Total Equity	710,456	681,492	665,452	610,852	673,780
Cash and Bank Balances	19,559	22,658	47,023	29,139	16,202
Property, Plant & Equipment	711,161	672,412	644,157	615,647	614,389
Investment Properties	130,424	133,362	136,210	144,212	149,100
Total Borrowings	162,695	158,730	174,305	196,131	127,518
Asset Revaluation Reserve	414,415	395,489	372,300	338,010	382,010
Financial Ratios					
Revenue Growth (%)	14.42	39.27	59.40	(14.17)	(46.93)
Net Profit Growth (%)	33.35	256.35	68.05	47.88	(6,043.83)
Revalued Net Assets Value (RNAV) (\$'million) ⁽¹⁾	853.75	815.69	783.38	726.86	785.30
Debt to RNAV (times)	0.19	0.19	0.22	0.27	0.16
Per Share Information					
Earnings (Loss) per Share (cents) before Income Tax	8.15	6.64	(1.59)	(10.21)	(18.36)
Earnings (Loss) per Share (cents) after Income Tax	5.53	4.15	(3.12)	(9.93)	(19.11)
Net Assets Value (NAV) per Share (\$)	5.87	5.63	5.50	6.06	6.68
Revalued Net Assets Value (RNAV) per Share (\$) ⁽¹⁾	7.06	6.74	6.48	7.21	7.79
Dividend per Share (\$)	0.025	0.025	0.025	0.025	0.025
Number of Shares					
Number of Shares as at year end (million)	120.960	120.960	120.960	100.800	100.800
Weighted average number of Shares (million)	120.960	120.960	102.740	101.049	100.800
Market capitalisation (\$'million)					
at year end	214.10	226.20	246.76	312.48	274.18

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

Value-Added Statement

	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000	2020 \$'000
Revenue earned	66,753	58,340	41,890	26,280	30,618
Less: Cost of sales	(30,979)	(28,243)	(23,449)	(19,637)	(20,583)
Gross value-added from operations	35,774	30,097	18,441	6,643	10,035
Other income	2,888	4,361	4,001	12,841	1,362
Other expenses	(106)	(705)	(4,585)	(13,061)	(16,201)
Net foreign exchange adjustment gain (loss)	391	633	(1,488)	(1,413)	(330)
Total value-added	38,947	34,386	16,369	5,010	(5,134)
Distribution:					
To employees in salaries and other related costs	17,298	15,295	11,278	7,999	8,968
To government in corporate and other taxes	3,174	3,021	1,579	280	750
To providers of capital:					
- Interest paid on borrowing from banks	7,538	8,356	5,797	4,163	2,971
Retained for re-investment and future growth:					
- Depreciation and amortisation	7,079	5,962	5,702	6,083	6,575
- Accumulated profits (losses)	5,781	4,089	(5,600)	(19,580)	(36,047)
Non-production costs and income:					
- Allowance for doubtful receivables	3	18	193	154	320
- Bad debt expense	-	-	204	-	-
- Bad debt recovered	-	(11)	-	-	-
- Write back of allowance for doubtful receivables	-	(29)	(265)	(222)	(18)
- Fair value (gain) loss on investment properties	(659)	618	236	(880)	379
- Fair value (gain) loss on derivative financial instruments	-	-	-	(196)	196
- Impairment loss on property, plant and equipment	-	-	-	7,209	8,765
- Impairment loss on goodwill	-	-	-	-	2,007
- Reversal of impairment loss on property, plant and equipment	(1,267)	(2,933)	(2,755)	-	-
Total distribution	38,947	34,386	16,369	5,010	(5,134)
PRODUCTIVITY DATA					
Number of employees	648	608	424	431	568
Value-added per employee (\$'000)	60.10	56.56	38.61	11.62	(9.04)
Value-added per \$ of employee cost	2.25	2.25	1.45	0.63	(0.57)
Value-added per \$ revenue earned	0.58	0.59	0.39	0.19	(0.17)
Value-added per \$ of investment in investment properties, property, plant and equipment	0.05	0.04	0.02	0.01	(0.01)

*Joy in
Inspiring*





To carry out our mission well, we need an equally motivated community of staff to perform their roles efficiently and effectively. Our staff are continually trained and retrained to ensure that every aspect of our operations is consistent with our service credo. We strive to enhance the customer experience by continually refining our service offerings to meet evolving expectations of our guests.




Hotel Royal
SIGNATURE

Operation and Financial Review

The Group's core activities are as follows:

A) HOTEL OPERATIONS

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

Singapore

Hotel Royal Singapore
Hotel Royal Queens

Malaysia

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

Thailand

Hotel Royal Bangkok
Burasari Resort, Phuket

B) PROPERTY INVESTMENTS

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

C) FINANCIAL INVESTMENTS

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (extract)

Year ended 31 December 2024

	2024 \$'000	2023 \$'000	Change %
Revenue			
Hotel operations segment	59,215	51,009	16.1
Property investments segment	6,921	6,713	3.1
Financial investments segment	617	618	(0.2)
Total revenue	66,753	58,340	14.4
Less: Cost of sales	(30,979)	(28,243)	9.7
Gross profit	35,774	30,097	18.9
Less: Operating expenses	(21,549)	(17,995)	19.7
Add: Other income	3,279	4,994	(34.3)
Less: Other expenses	(106)	(705)	(85.0)
Less: Finance costs	(7,538)	(8,356)	(9.8)
Profit before income tax	9,860	8,035	22.7
Less: Income tax expense	(3,174)	(3,021)	5.1
Profit for the year attributable to owners of the Company	6,686	5,014	33.3

Operation and Financial Review

REVENUE

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

In FY2024, strong demand for business and leisure travel together with higher disposable incomes, led to a 16.1% uplift in revenue from the Group's hotel segment, reaching \$59.2 million.

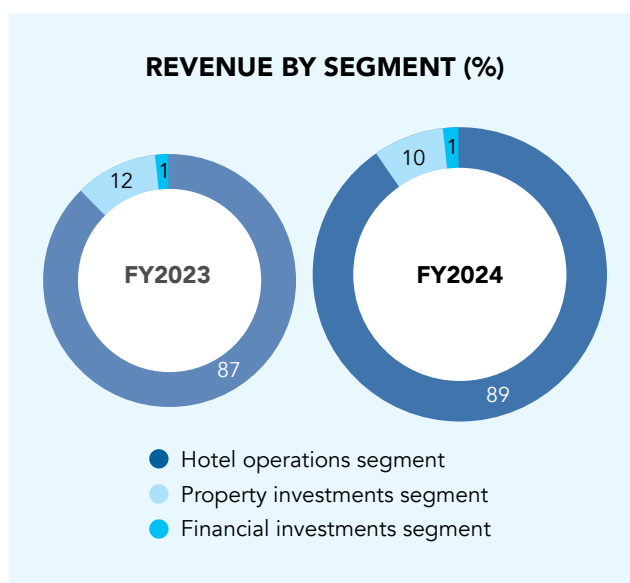
	Financial year ended 31 Dec				Increase (Decrease)	
	2024		2023		\$'000	%
	\$'000	%	\$'000	%		
Hotel operations segment	59,215	89	51,009	87	8,206	16.1
Property investments segment	6,921	10	6,713	12	208	3.1
Financial investments segment	617	1	618	1	(1)	(0.2)
	66,753	100	58,340	100	8,413	14.4

In terms of segmental revenue, sales from all 3 divisions rose by 14.4% to \$66.8 million in FY2024.

This was led by the Group's hotel revenue which jumped 16.1% to \$59.2 million thanks to the increase in travel demand in both business and leisure travel across Singapore, Thailand and Malaysia.

Property investment revenue, mainly derived from rental collections, was up by 3.1% to \$6.9 million driven by higher occupancy rates at the Group's properties in Singapore, New Zealand and Malaysia.

Financial investments revenue of \$0.6 million was consistent with the previous year.



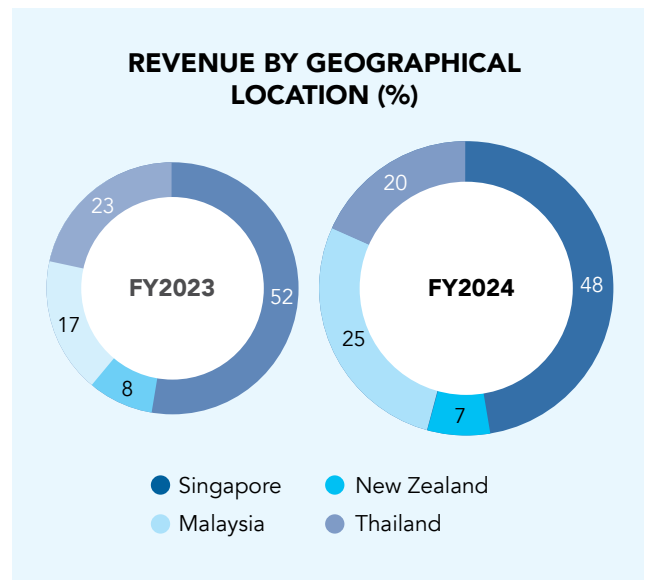
	Financial year ended 31 Dec				Increase (Decrease)	
	2024		2023		\$'000	%
	\$'000	%	\$'000	%	\$'000	%
Singapore	31,651	48	30,548	52	1,103	3.6
Malaysia	16,930	25	9,575	17	7,355	76.8
Thailand	13,403	20	13,505	23	(102)	(0.8)
New Zealand	4,769	7	4,712	8	57	1.2
	66,753	100	58,340	100	8,413	14.4

In terms of revenue by geographical locations, Singapore was still the largest market for the Group, making up 48% of total revenue. Malaysia was our second largest market, accounting for 25%, followed by Thailand 20% and New Zealand 7%.

On a geographical basis, the Group's operations in Malaysia saw a significant increase, primarily driven by the opening of Hotel Royal Signature in Kuala Lumpur.

Revenue from Singapore grew by 3.6% to \$31.7 million, while Malaysia saw a substantial rise of 76.8%, reaching \$16.9 million. In contrast, revenue from Thailand experienced a slight decline of 0.8%, to \$13.4 million.

Rental income from the Group's investment properties in New Zealand saw a 1.2% increase, contributing \$4.8 million to overall revenue.



Operation and Financial Review

PROFITABILITY

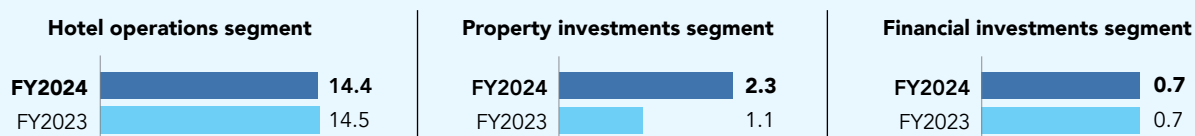
In the year under review, the Group's gross profit increased by 18.9% to \$35.8 million.

However, operating income declined by 34.3% to \$3.3 million, primarily due to a lower write-back of impairment loss on property, plant and equipment, reduced interest income from bank deposits, a decline in net foreign exchange gain and a decrease in fair value gain on financial assets at fair value through profit or loss in FY2024.

Other expenses decreased by 85.0% to \$0.1 million, primarily due to the absence of a fair value loss on investment properties in FY2024, as a fair value gain was recorded under other income.

Consequently, the Group achieved a notable 22.7% improvement compared to the preceding year, recording a pre-tax profit of \$9.9 million in FY2024.

PROFITABILITY BY SEGMENT (\$'million)



	Financial year ended 31 Dec				Increase (Decrease)	
	2024		2023			
	\$'000	%	\$'000	%	\$'000	%
Hotel operations segment	14,379	83	14,511	88	(132)	(0.9)
Property investments segment	2,305	13	1,134	7	1,171	>100
Financial investments segment	714	4	746	5	(32)	(4.3)
Profit before interest and income tax	17,398	100	16,391	100	1,007	6.1

The Group's profit before interest and income tax increased by \$1.0 million to \$17.4 million in FY2024, with the largest contribution coming from its property investments segment, which saw a more than 100% increase in profit before interest and income tax, reaching \$2.3 million.

The hotel operations segment experienced a slight dip, reporting a profit before interest and income tax of \$14.4 million.

In the meantime, the financial investments segment reported a profit before interest and income tax of \$0.7 million in FY2024.



PROFITABILITY BY GEOGRAPHICAL LOCATION (\$'million)



	Financial year ended 31 Dec				Increase (Decrease)	
	2024		2023			
	\$'000	%	\$'000	%	\$'000	%
Singapore	10,964	63	12,999	79	(2,035)	(15.7)
Malaysia	3,128	18	(2,427)	(15)	5,555	>100
Thailand	3,027	17	8,561	52	(5,534)	(64.6)
New Zealand	279	2	(2,742)	(16)	3,021	>100
Profit before interest and income tax	17,398	100	16,391	100	1,007	6.1

Driven by the overall increase in revenue, the Group's profit before interest and income tax rose to \$17.4 million in FY2024. In Singapore, the Group's profit before interest and income tax amounted to \$11.0 million, reflecting a \$2.0 million year-on-year gain, boosted by higher room occupancy and an upward adjustment in room rates.

Malaysia recorded a profit before interest and income tax of \$3.1 million, supported by the write-back of impairment loss on a building in Kuala Lumpur, as well as improved room occupancy and an upward adjustment of room rates at several Malaysian hotels.

Thailand reported a lower profit before interest and income tax of \$3.0 million, primarily due to reduced room inventory at one of the hotels during renovations and a lower write-back of impairment loss on a building in Bangkok.

New Zealand experienced a turnaround, recording a profit before interest and income tax of \$0.3 million, primarily driven by a lower fair value loss on investment properties in FY2024.



Operation and Financial Review

CASHFLOW

During the year in review, the Group generated \$11.4 million in operating cash flow from its operations and activities, and invested a total of \$13.0 million, primarily for capital expenditure related to renovation and upgrading works at Hotel Royal Signature and Burasari Resort. The net cash outflow of \$1.8 million from financing activities was mainly due to dividend payments during the financial year, partially offset by net drawdowns from bank borrowings.

As of 31 December 2024, the Group's cash and bank balances stood at \$19.6 million.

GROUP CASH AND BANK BALANCES

	FY2024 \$'000	FY2023 \$'000	FY2022 \$'000	FY2021 \$'000	FY2020 \$'000
Cash on hand	188	174	124	113	110
Cash at bank	15,710	15,124	13,069	16,703	12,251
Fixed deposits	3,661	7,360	33,830	12,323	3,841
Total	19,559	22,658	47,023	29,139	16,202

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

The short-term fixed deposits earn interest ranging from 2.30% to 3.30% per annum, with terms ranging from one month to twelve months.

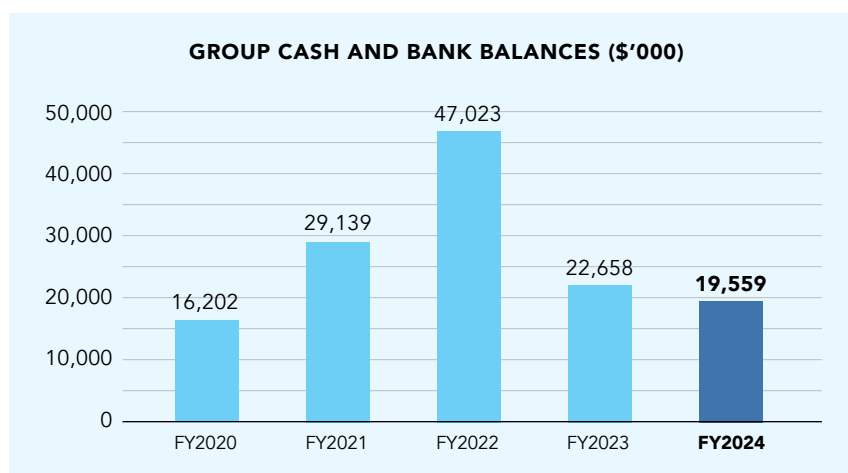
The increase was derived from the operating activities of the hotel, investment properties and fund management, mainly due to the recovery of business and leisure travel in Singapore, Thailand and Malaysia.

The decrease was mainly due to lower costs incurred for renovation and upgrading works for Hotel Royal Signature and upgrading works for properties in New Zealand during the financial year.

The decrease was due to lower net drawdowns from bank borrowings during the financial year.

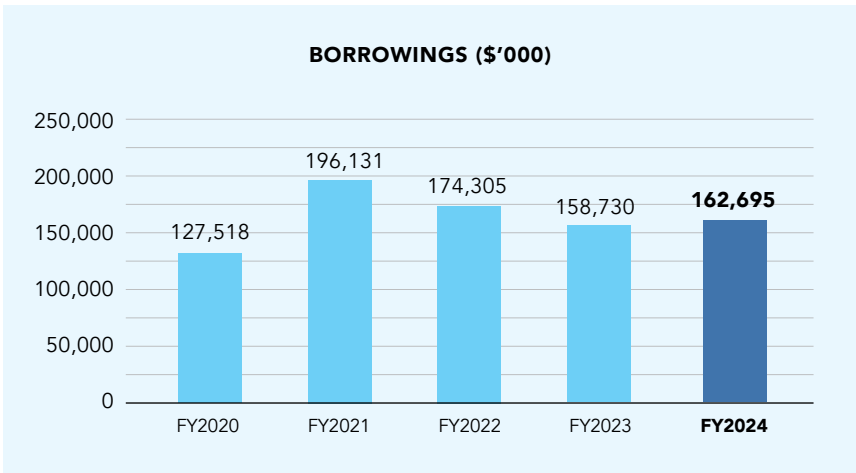
- Net cash from operating activities
 - Net cash used in investing activities
 - Net cash used in from financing activities
- Net decrease in cash and cash equivalents
- Cash and cash equivalents at end of year**

	2024 \$'000	2023 \$'000
Net cash from operating activities	11,354	8,238
Net cash used in investing activities	(13,044)	(16,772)
Net cash used in from financing activities	(1,794)	(15,036)
Net decrease in cash and cash equivalents	(3,484)	(23,570)
Cash and cash equivalents at end of year	17,809	20,724





	FY2024 \$'000	FY2023 \$'000	FY2022 \$'002	FY2021 \$'000	FY2020 \$'000
Secured	162,695	158,730	174,305	196,131	127,518



Operation and Financial Review

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

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

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

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

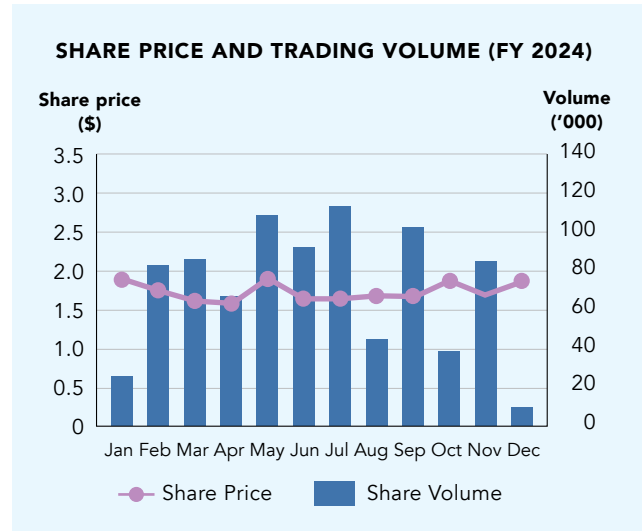
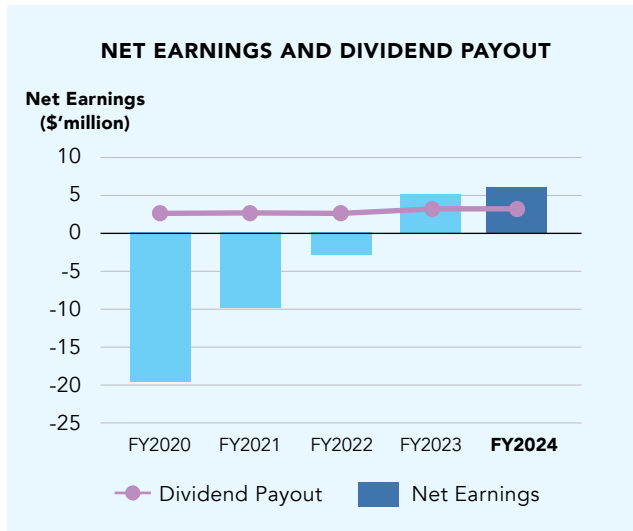
STATEMENTS OF FINANCIAL POSITION (extract) 31 December 2024

	2024 \$'000	2023 \$'000	Change %	
<p>The Group's total shareholders' equity rose 4.3% to \$710.5 million mainly due to the increase in assets revaluation reserve primarily arising from increase in land valuation from 2 hotels in Singapore.</p> <p>In FY2024, the Group continued to upgrade its hotel and investment properties progressively, and to enhance its market share in these countries.</p> <p>Total Assets increased by \$34.2 million or 4.0% as of 31 December 2024, primarily driven by the following factors:</p> <ul style="list-style-type: none"> - A \$38.7 million increase in property, plant and equipment, resulting from a revaluation surplus on freehold hotel land in Singapore, Thailand and Malaysia, upgrading works at Hotel Royal Signature, and the net write-back of impairment losses on properties in Thailand and Malaysia. - A \$2.9 million decrease in investment properties, mainly due to a foreign exchange loss resulting from the weakening of the NZD against the SGD. - An increase in investments, primarily due to fair value gains arising from improved market conditions. - A \$3.1 million decrease in cash and bank balances, primarily due to dividend payments made during the financial year. 	<p>Total Assets</p> <ul style="list-style-type: none"> - Property, plant and equipment - Investment properties - Investments - Inventories - Trade receivables and other receivables - Cash and bank balances 	<p>898,325</p> <p>711,161</p> <p>130,424</p> <p>31,083</p> <p>885</p> <p>4,228</p> <p>19,559</p>	<p>864,080</p> <p>672,412</p> <p>133,362</p> <p>29,337</p> <p>974</p> <p>4,383</p> <p>22,658</p>	<p>4.0</p> <p>5.8</p> <p>(2.2)</p> <p>6.0</p> <p>(9.1)</p> <p>(3.5)</p> <p>(13.7)</p>
<p>Total Liabilities increased by \$5.3 million or 2.9%, due to a \$4.0 million rise in bank borrowings, reflecting net drawdowns of bank loans during the financial year.</p>	<p>Total Liabilities</p> <ul style="list-style-type: none"> - Trade and other payables - Tax liabilities - Bank borrowings 	<p>187,869</p> <p>10,374</p> <p>14,402</p> <p>162,695</p>	<p>182,588</p> <p>10,379</p> <p>13,220</p> <p>158,730</p>	<p>2.9</p> <p>(0.1)</p> <p>8.9</p> <p>2.5</p>
<p>Capital and reserves rose by \$29.0 million or 4.3% from the increase in assets revaluation reserve of \$18.9 million primarily arising from increase in land valuation from 2 hotels in Singapore, as well as the decrease in translation reserve loss of \$5.0 million as a result of the strengthening of RM against SGD.</p>	<p>Capital and reserves</p> <ul style="list-style-type: none"> - Share capital - Asset revaluation reserve - Fair value reserve - Translation reserve - Retained earnings 	<p>710,456</p> <p>190,836</p> <p>414,415</p> <p>18,120</p> <p>(19,152)</p> <p>106,180</p>	<p>681,492</p> <p>190,836</p> <p>395,489</p> <p>16,995</p> <p>(24,146)</p> <p>102,252</p>	<p>4.3</p> <p>-</p> <p>4.8</p> <p>6.6</p> <p>(20.7)</p> <p>3.8</p>

SHAREHOLDER RETURNS

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

For FY2024, the Directors have proposed a one-tier, tax-exempt first and final dividend of 2.7 cents per ordinary share. Amounting to approximately \$3.27 million, this proposed dividend, subject to approval by shareholders at the upcoming Annual General Meeting, will be paid on a date to be announced.



Joy in Conserving

Integrating joy into sustainability efforts empowers our staff to conserve resources and protect the environment with passion and purpose. When they feel joyful about contributing to eco-friendly initiatives, they become ambassadors of sustainability, inspiring guests to participate. This joyful approach to conservation not only minimizes the hotel's ecological footprint, it also enhances the guest experience, builds brand loyalty and supports a healthier planet for future generations.



Sustainability Report

FOREWORD BY THE CHAIRMAN

Hotel Royal Limited (the “**Company**”), and its subsidiaries (collectively known as the “**Group**” or “**We**”), is anticipating an increase in tourist arrivals based on the projections from the tourism boards of the countries where our hotels operate. We expect visitor numbers to improve in Singapore, Malaysia, and Thailand. This optimistic forecast is driven by enhanced global flight connections and visa free travel policies particularly targeting the Chinese market. As a result, the Group’s revenue is expected to remain positive, bolstered by the recent opening of Hotel Royal Signature.

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

Our stakeholders are increasingly looking for proactive leadership on environmental, social and governance (“**ESG**”) matters. In response, we are focused on providing a more comprehensive and illustrative reporting. I am pleased to present the Group’s Sustainability Report (“**Report**”) for the financial year (“**FY**”) 2024.

Yang Wen-Wei
Chairman

18 March 2025

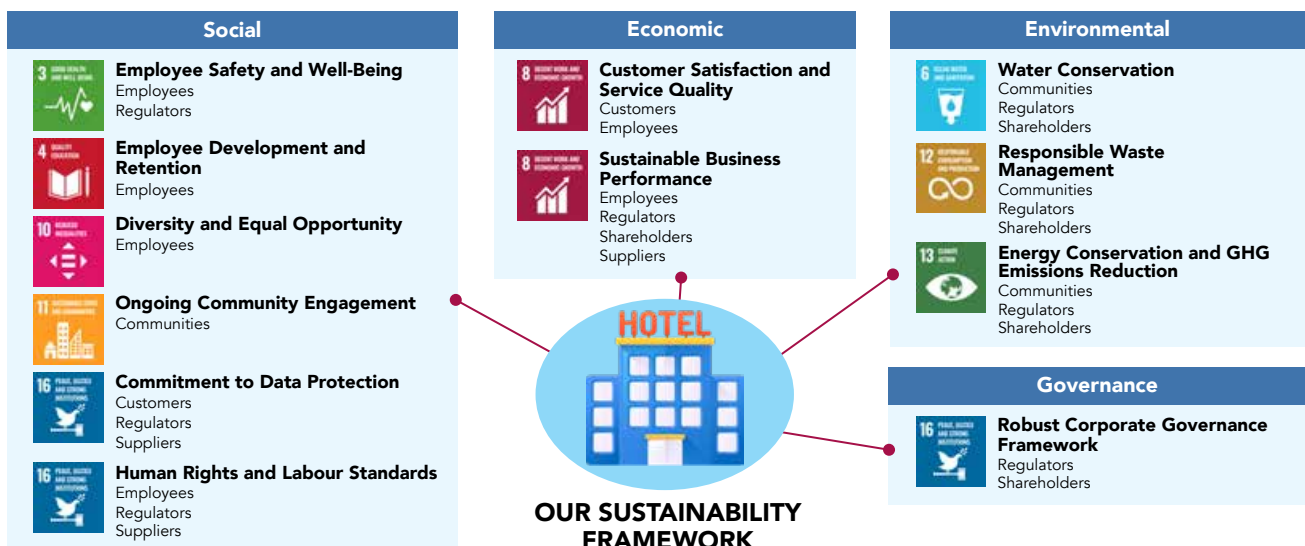
ABOUT THIS REPORT

BOARD STATEMENT

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

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

This Report also reflects our commitment to the United Nations’ Sustainable Development Goals (“**SDGs**”). As we work closely with our stakeholders throughout the value chain, their input helps us to prioritize our material Sustainability Factors and guides our sustainability initiatives. Below, we illustrate the interaction between our sustainability framework, material Sustainability Factors, stakeholders and the SDGs:



SUSTAINABILITY PERFORMANCE HIGHLIGHTS

A summary of our material sustainability performance is as follows:

Sustainability Pillars	Sustainability Metric	Sustainability Performance	
		FY2024	FY2023
Economic	Customer satisfaction score (%)	88	89
	Employee satisfaction score (%)	81	77
	Value-added (\$'million) ¹	38.9	34.4
	Value retained for re-investment and future growth (\$'million) ²	12.9	10.1
Environmental	Water consumption intensity (cubic metres/number of guest nights)	0.460	0.396
	Waste generated intensity (tonnes/number of guest nights)	0.001	0.001
	Aggregated absolute Scope 1 and 2 greenhouse gas ("GHG") emissions (tonnes CO ₂ e)	19,378	9,567 ³
	GHG emissions intensity (tonnes CO ₂ e/number of guest nights)	0.022	0.012
Social	Number of workplace fatalities	–	–
	Number of high consequence work-related injuries ⁴	–	–
	Number of recordable work-related injuries	10	3
	Number of work-related ill health cases ⁵	–	–
	Employee turnover rate (%)	19	25
	Number of reported incidents of unlawful discrimination against employees ⁶	–	–
	Number of substantiated complaints concerning breaches of customer privacy and loss of customer data ⁷	–	–
	Number of reported incidents of labour or human rights violations	–	–
Governance	Number of reported incidents of serious offence ⁸	–	–
	Number of incidents of non-compliance with any applicable laws and regulations ⁹ that resulted in significant fines or non-monetary sanctions	–	–

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

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

³ We restated the energy consumption for town gas and the resulting GHG emissions (Scope 1) for the prior FY as a correction.

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

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

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

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

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

⁹ Excluding incidents involving fraud or dishonesty

Sustainability Report

OUR BUSINESS

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

Hotel Operations Segment



SUPPLIERS AND SERVICE PROVIDERS

We requisite goods and services from:

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

OPERATIONS

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

CUSTOMERS

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

Property Investments Segment



SUPPLIERS

We requisite goods and services from:

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

OPERATIONS

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

CUSTOMERS

Our customers are lessees of our investment properties.



REPORTING PERIOD AND SCOPE

This Report covers the consolidated entities, as disclosed in our audited financial statements, for the FY from 1 January 2024 to 31 December 2024 ("**FY2024**" or "**Reporting Period**").

REPORTING FRAMEWORK

This Report is prepared in accordance with Mainboard Listing Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") as well as in accordance with the Global Reporting Initiative ("**GRI**") standards for the Reporting Period. We chose to report using the GRI Standards as it is an internationally recognized reporting framework that covers a comprehensive range of sustainability metrics.

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

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

Internal reviews of the sustainability reporting process are integrated into our internal audit review cycle. We will also work towards obtaining external assurance for our future sustainability reports, in line with market trends and regulatory requirements.

AVAILABILITY

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

FEEDBACK

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



Sustainability Report

STAKEHOLDER ENGAGEMENT

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

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

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

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

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

POLICY, PRACTICE AND PERFORMANCE REPORTING

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

SUSTAINABILITY GOVERNANCE STRUCTURE

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

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

Besides the SSC, the Board is supported by the Audit and Risk Committee ("**ARC**") on specific sustainability matters within their respective terms of reference. As we continue to refine our sustainability related metric measuring and tracking mechanisms, we will link the key executives' remuneration to sustainability performance once they are more mature and stable.

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

Sustainability Governance Structure



Sustainability Report

Terms of Reference of Component Parties

Component Party	Member	Terms of Reference
Board	Board members	<ul style="list-style-type: none"> • Determine material Sustainability Factors of the Group • Review and approve sustainability strategies, policies and targets (including materiality assessment process and outcome) • Monitor implementation of sustainability strategies, policies and performance against targets • Oversee the identification and evaluation of climate-related risks and opportunities • Ensure the integration of sustainability and climate-related risks and opportunities within the Group's enterprise risk management ("ERM") framework • Review and approve sustainability reports
ARC	ARC members	<ul style="list-style-type: none"> • Review the adequacy and effectiveness of the Group's internal controls and risk management systems • Oversee the conduct of assurance activities pertaining to the Group's sustainability reporting processes
SSC	<ul style="list-style-type: none"> • CEO • Deputy CEO • CFO • Country General Manager • General Managers • Hotel Managers • Head of Departments 	<ul style="list-style-type: none"> • Develop sustainability strategies and policies and recommends revisions to the Board • Ensure that the implementation of sustainability strategies is aligned across business segments and geographical locations • Evaluate overall sustainability risks and opportunities, with a focus on climate-related risks and opportunities • Perform materiality assessment • Monitor sustainability activities and performance against targets • Align the Group's practices with the organisation-wide sustainability agenda and strategies • Consolidate sustainability metrics to track sustainability impact on a group basis and for reporting purposes • Prepare sustainability reports
Business Units/ Corporate Functions	Representatives from Finance, Human Resource ("HR") and Operations Department and business units in Malaysia, Thailand and New Zealand	<ul style="list-style-type: none"> • Align practices at the operational level with the organization-wide sustainability agenda and strategies • Collect and compile sustainability metrics to track sustainability impact and for reporting purposes

MATERIALITY ASSESSMENT

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

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

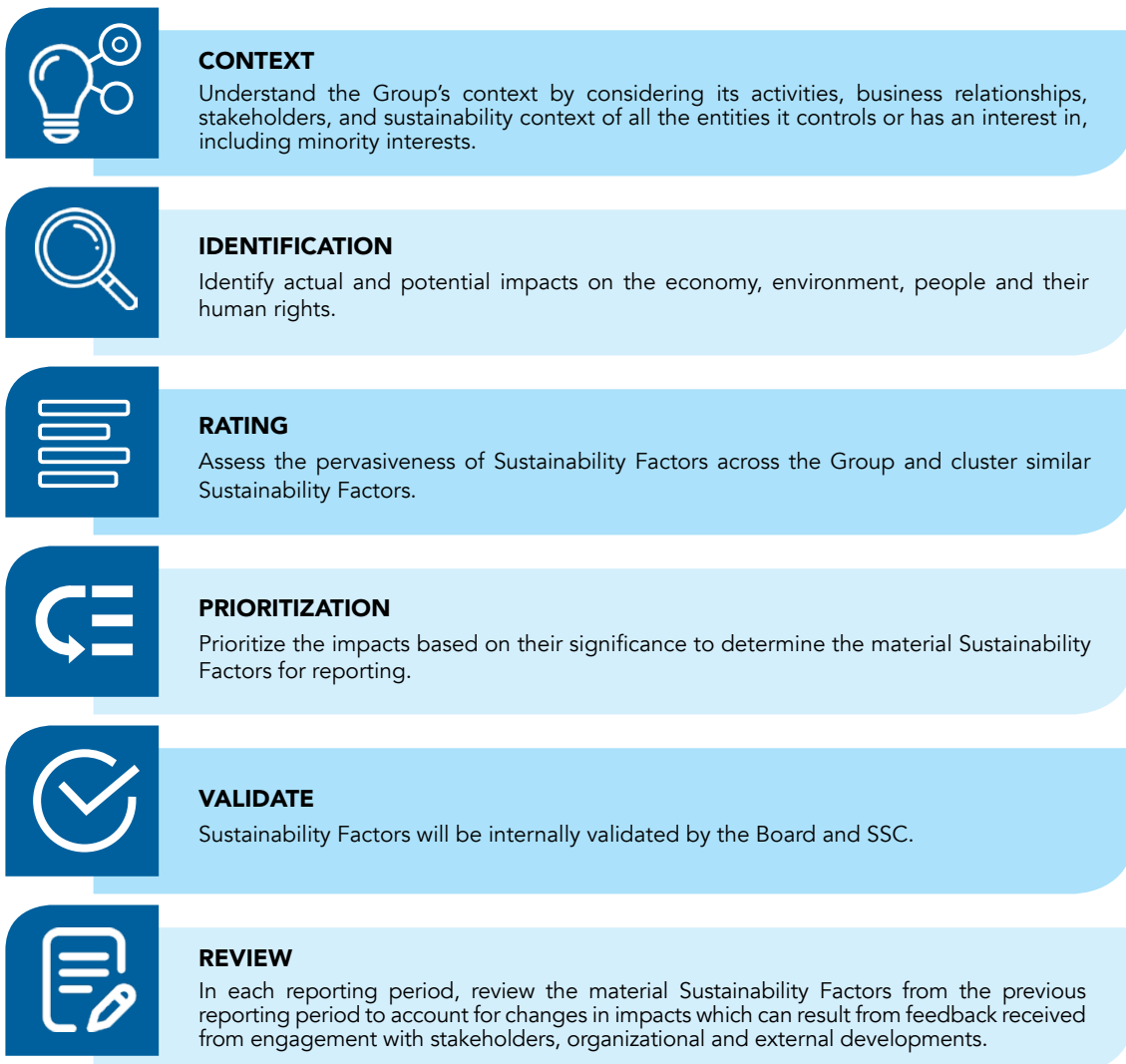
PERFORMANCE TRACKING AND REPORTING

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

SUSTAINABILITY REPORTING PROCESSES

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

Processes involved are shown in the chart below:



Sustainability Report




MATERIAL SUSTAINABILITY FACTORS

In FY2024, a materiality assessment was performed by the SSC to update the material Sustainability Factors, and this was followed by a stakeholder engagement session¹⁰ to understand the concerns and expectations of our key stakeholders. In this Report, we also reported our progress in managing these factors and set related targets to improve our sustainability performance.

We incorporated the UN Sustainability Agenda as a supporting framework to shape and guide our sustainability strategy. Below are the results showing how our material Sustainability Factors relate to these SDGs:

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

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

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

ECONOMIC

CUSTOMER SATISFACTION AND SERVICE QUALITY

Commitment

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

Approach

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

Rendering Good Customer Service

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

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

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

Proactively Gathering Feedback for Improvements and Developing Strategies

Customer satisfaction is our utmost priority. In line with our service credo, we make it a point to understand our customers better through reviews and feedback, aiming to attract and retain customers. Customer feedback collected from various touchpoints such as guest feedback forms and online travel reviews, is analyzed to gather valuable insights into current and future customer needs. These insights gathered are analyzed and discussed during management meetings to drive service improvements, enhance operational efficiency and provide inputs for new strategies.

Maintaining a Team of Proficient and Experienced Employees

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

Sustainability Report

Adherence to Market Standards

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

Adoption of Strategic Solutions

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

Hotel	Strategic Solution
Baba House	<p>Royal Rewards is a Loyalty Membership Programme to incentivize repeat stays while championing sustainability through innovative and eco-friendly practices such as digital membership, virtual key cards and online check-in and check-out through mobile applications.</p> <p>Baba House collaborated with Grab Malaysia, local artisans, vendors and cultural attractions to create a community network. The 'GrabRent' service offers the option to rent a driver and car for a set duration and allowing travellers to explore at their own pace. Guests of Baba House can enjoy exclusive promotional codes to make transportation more affordable. This collaboration enriches each guest experience with authentic offerings, strengthen the local community and promote sustainable tourism.</p>
Burasari Resort	Customers of Burasari Resort can perform online pre-check-in and pre-check-out to reduce waiting time and minimise errors so as to achieve high guest satisfaction level.

Performance

Rendering Good Customer Service

During the Reporting Period FY2024, 97 of our employees in Singapore (FY2023: 59 employees) received recognition from awards.

Please refer to the 'People Report' on pages 84 to 90 for their stories and achievements.

During the Reporting Period, we achieved a customer satisfaction score of 88% (FY2023: 89%).

Please refer to the "Awards & Accolades" on page 91 for our recognitions.

Maintain a Team of Proficient and Experienced Employees

During the Reporting Period, we achieved an employee satisfaction score of 81% (FY2023: 77%).

Adherence to Market Standards

Our services are certified under various recognised quality standards:

Standard/ Certification	Certification Attained by	Nature of Certification
ISO 9001:2015	<ul style="list-style-type: none"> Hotel Royal Singapore Hotel Royal Queens 	A certification for quality management system ensuring that our products and services consistently meet customer and applicable regulatory requirements with an aim to enhance customer satisfaction.
Building Construction Authority Green Mark Award (Gold) (" BCA Gold Award ")	Hotel Royal Queens	A voluntary scheme that assesses a building's environmental impact and performance, promoting sustainable design and best practices in construction and building operations.
BizSAFE Level 3 Certification	Hotel Royal Queens	A certification that evaluates our Workplace Safety Health (" WSH ") practices, ensuring that a risk assessment is conducted for every work activity and process in the workplace and that they comply with WSH regulations.

SUSTAINABLE BUSINESS PERFORMANCE

Commitment

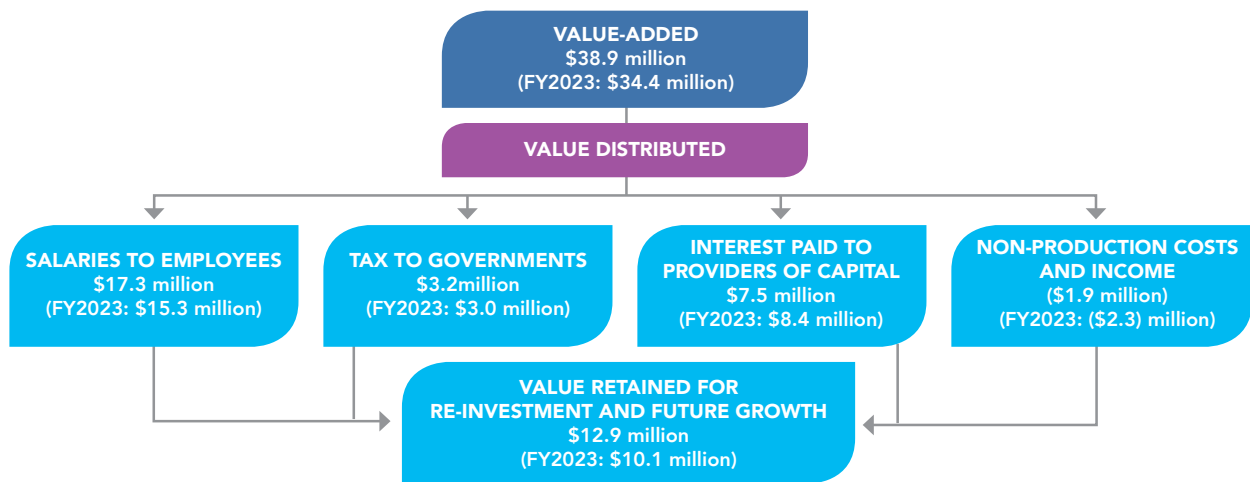
We are committed to create long-term economic value for stakeholders by adopting responsible business practices and growing our business in a sustainable manner.

Approach

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

Performance

In line with this commitment, we present the distribution of our values created in FY2024 as follows:



Refer to the audited financial statements and value-added statement in our FY2024 annual report for the Group’s financial performance and financial risk management disclosure on our efforts and progress in maintaining financial sustainability.



Sustainability Report

ENVIRONMENTAL

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

Our material Sustainability Factors on environment are presented as follows:

WATER CONSERVATION

Commitment

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

Approach

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

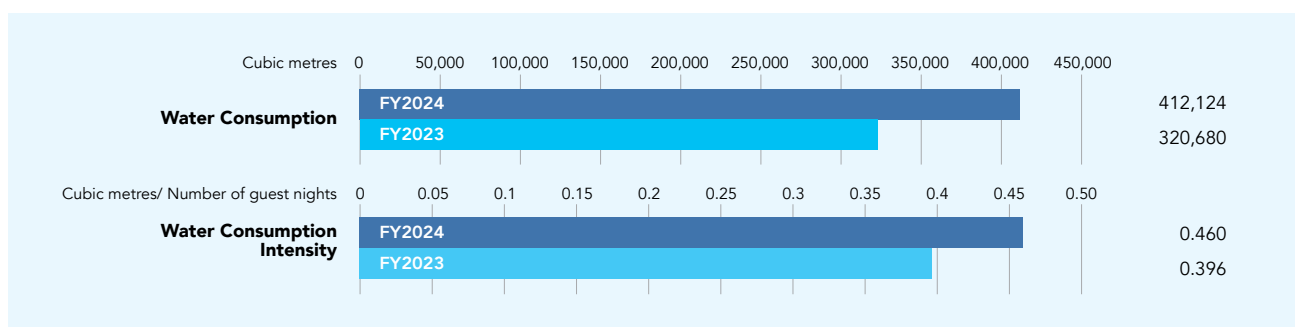
Water is an essential resource used in all aspects of our hotel operations, including guest rooms, hot water supply, cooling towers, F&B, housekeeping, recreational facilities and public amenities.

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

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

Performance

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



During the Reporting Period, the increase in water consumption was mainly due to additional number of rooms that were opened for booking and increase in the number of events held at Hotel Royal Signature¹². As this is the first full year of operations for Hotel Royal Signature, the water consumption has yet to stabilize, which resulted in an increase in our water consumption intensity. We will continue to closely monitor the water consumption and take appropriate action as needed.

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

¹² Hotel Royal Signature started operations in October 2023.

RESPONSIBLE WASTE MANAGEMENT

Commitment

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

Approach

Waste generated from our hotel operations¹³ includes:

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

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

Management of General Waste and Recyclables

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

Reducing Single-Use Plastics Consumption

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

Management of Food Waste

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



Source: Westcom Bio-Tech, a supplier that supplied us with food waste bio-digestors

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

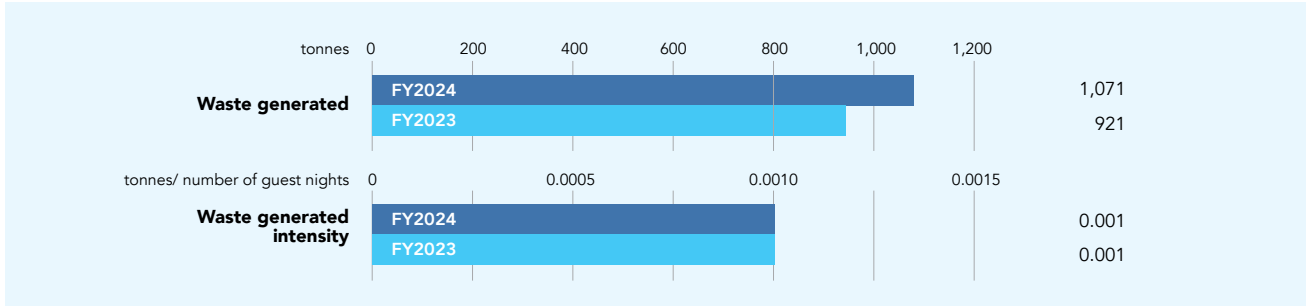
¹³ No hazardous waste is generated in our operations.

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

Sustainability Report

Performance

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



During the Reporting Period, the total waste generated increased due to the first full year of operations for Hotel Royal Signature¹². Despite the increase in total waste generated, our waste generated intensity has remained constant between both FY. We will continue to monitor the waste generated and take active action in minimising the waste output.

During the Reporting Period, 100% of the waste generated from all reporting entities were disposed by third-party licensed waste collectors (FY2023: 100%).



ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION

Commitment

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

Approach

We aim to reduce our environmental footprint while building operational resilience to deliver long-term and sustainable value to our stakeholders including communities, customers, employees, shareholders and suppliers. We adopt a balanced approach in effectively managing and minimizing the impacts arising from our business operations.

Our reliance on energy resources primarily extends to the following areas:

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

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



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

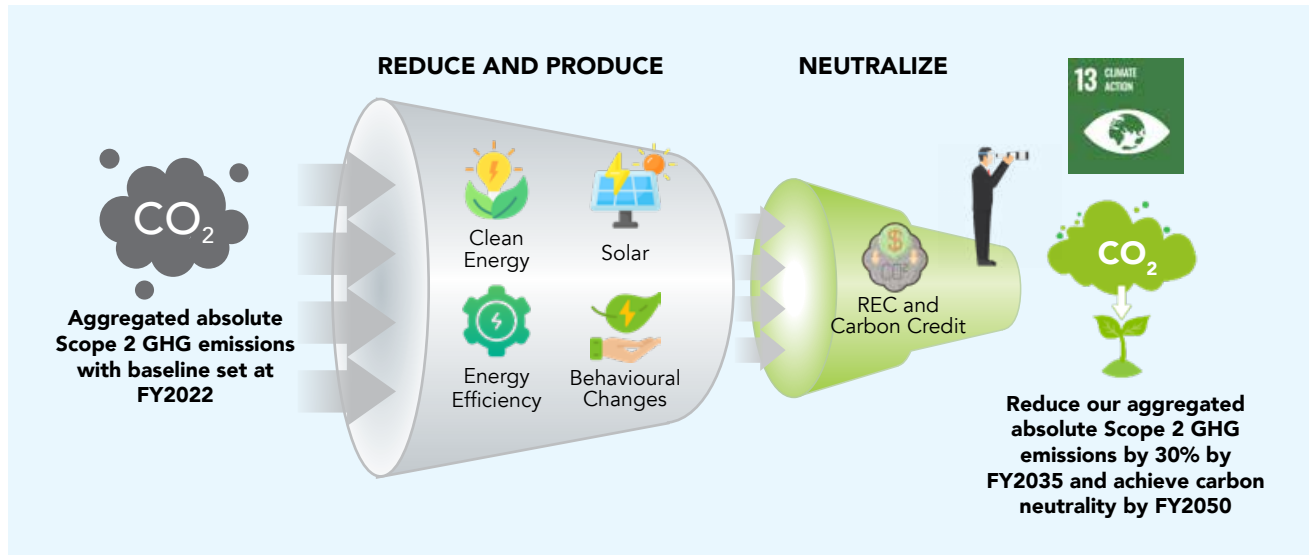
We closely track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions, and are in the process of developing mechanisms to track additional scope 3 GHG emissions, where relevant and feasible. We developed a climate change transition plan which will be refined and improved as it is progressively implemented, taking into account changes in business operations, environmental factors and market trends. Progress updates and performance will be provided in our future sustainability reports, with the reporting process undergoing internal review to ensure compliance.

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

Sustainability Report

Climate Change Transition Plan

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



Details of our strategic levers adopted in our climate change transition plan are as follows:

Lever	Reduce	Produce	Neutralize
Focus Area	<ul style="list-style-type: none"> Energy efficiency <ul style="list-style-type: none"> Machinery and equipment Cooling Building design Lighting Behavioural change Clean energy 	Solar energy	<ul style="list-style-type: none"> Renewable energy certificates ("REC") Carbon credits



Our action plans by lever and focus area are as follows:

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

Performance

Key statistics on energy consumption are as follows:

(i) Energy Consumption

Sustainability Metric	FY2024		FY2023	
	GJ	%	GJ	%
Town gas consumption	344	<1	393 ³	<1
LPG consumption	3,833	3	2,914	4
Electricity consumption	110,090	96	70,325	95
Total energy consumption	114,267	100	73,632	100

Sustainability Report

(i) Energy Consumption Intensity

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Town gas consumption intensity	GJ / number of guest nights	<0.001	<0.001
LPG consumption intensity	GJ / number of guest nights	0.004	0.004
Electricity consumption intensity	GJ / number of guest nights	0.123	0.087
Total energy consumption intensity	GJ / number of guest nights	0.128	0.091

(ii) GHG Emissions

Sustainability Metric	Unit of Measurement	FY2024	FY2023
Direct GHG emissions (Scope 1) ¹⁵	tonnes CO ₂ e	257	202 ³
Indirect GHG emissions (Scope 2) ¹⁶	tonnes CO ₂ e	19,121	9,365
Aggregated absolute GHG emissions (Scope 1 and 2)	tonnes CO ₂ e	19,378	9,567 ³
GHG emissions intensity	tonnes CO ₂ e/ number of guest nights	0.022	0.012

Similar to water consumption, the increase in GHG emissions was mainly due to additional number of rooms that were opened for booking and the increase in the number of events held at Hotel Royal Signature during the Reporting Period. As this is the first full year of operations for Hotel Royal Signature, the energy consumption has yet to be stabilized, which resulted in an increase in our GHG emissions intensity. We will continue to closely monitor the energy consumption and take appropriate action as needed.

During the Reporting Period, we expanded our indirect GHG emissions (Scope 3)¹⁷ to include category 5: Waste generated in operations and the coverage of category 1: Purchased goods and services as follows:

Category	Coverage	Entity	FY2024 ¹⁸ tonnes CO ₂ e
Category 1: Purchased goods and services	Soap bar, linens, slippers, bottled water, sanitary paper and purchased potable water	Group	316
Category 5: Waste generated in operations	General waste		591
Category 6: Business travel	Air travel		19
Category 7: Employee commuting	Transportation of employees between their homes and worksites		539

¹⁵ The direct GHG emissions from consumption of town gas and LPG controlled by a reporting entity (Scope 1) are calculated based on the 2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories.

¹⁶ The indirect GHG emissions from electricity purchased by a reporting entity (Scope 2) are calculated using the location-based methods based on the GHG emissions factors published by the relevant local authorities.

¹⁷ The indirect GHG emissions (Scope 3) are calculated using calculation tools comprising International Civil Aviation Organization Carbon Emissions Calculator, GHG Protocol Transport Tool and Carbon Emissions Recording Tool and a mix of GHG emissions factors published by the PUB Singapore, Department for Environment Food and Rural Affairs of the United Kingdom and the US Environmental Protection Agency.

¹⁸ No comparative data is available as we expanded the coverage of our indirect GHG emissions (Scope 3) disclosure from our entities based in Singapore in FY2023 to cover all entities of the Group in the current year. As the comparable data for the previous year was not tracked, it was not disclosed.

SOCIAL

EMPLOYEE SAFETY AND WELL-BEING

Commitment

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

Approach

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

We implemented the following WSH initiatives across our operations:

- Comprehensive WSH policies, procedures and guidelines to guide our practices;
- WSH committees comprising representatives from both management and employees, ensuring a collaborative approach to health and safety at the workplace. Key responsibilities of the WSH committees include:
 - (i) Regular monitoring and reviewing safety policies, procedures and guidelines to identify and resolve potential risk to employees and guests;
 - (ii) Identifying risks and safety hazards at the workplace, and reviewing them to ensure all outstanding issues are addressed and safety standards are complied with; and
 - (iii) Establishing proper reporting channels for WSH accidents and injuries, ensuring the respective HR departments follow up accordingly;
- Emergency response plans across all hotels in the event of business disruptions, including periodic simulation exercises such as fire drills;
- To minimize potential fatalities and casualties in the scenario of fire incidents at our hotels, a company emergency response team ("CERT") is set up and relevant fire safety equipment is maintained at each of our hotels. CERT members are required to attend training on incident management, fire emergency response and first aid to ensure readiness during an emergency evacuation;
- Fire drill trainings are periodically conducted to ensure efficient evacuation of incumbents in case of an emergency;
- WSH training and education are conducted at our hotels for employees to minimise injuries and accidents; and
- The bizSAFE programme is implemented at Hotel Royal Queens.

Performance

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

Sustainability Metric	FY2024	FY2023
Number of workplace fatalities	–	–
Number of high consequence work-related injuries ⁴	–	–
Number of recordable work-related injuries	10	3
Number of work-related ill health cases ⁵	–	–

During the Reporting Period, the increase in recordable work-related injuries can be largely attributed to Hotel Royal Singapore, Burasari Resort and Hotel Royal Kuala Lumpur. The recordable work-related injuries were primarily due to accidents and improper working practices leading to minor injuries, bruises and slips.

In response, we reminded employees to exercise caution before the start of their shifts. Additionally, we are also working with the relevant General Managers to identify potential accident-prone areas and implement preventive measures to prevent recurrence.

Sustainability Report

EMPLOYEE DEVELOPMENT AND RETENTION

Commitment

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

Approach

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

Competitive Remuneration

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

Structured Learning and Development

We offer a diverse range of training programmes designed to upskill and develop our employees in courses such as hospitality management, food hygiene, sustainability leadership in hospitality training, occupational first aid training and various other technical training programs. These are aimed at enhancing the quality of service we offer to our guests, ensuring our employees are well-equipped to deliver excellent care.

Employee Performance Appraisal and Career Development Review

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

Comprehensive Employee Benefits

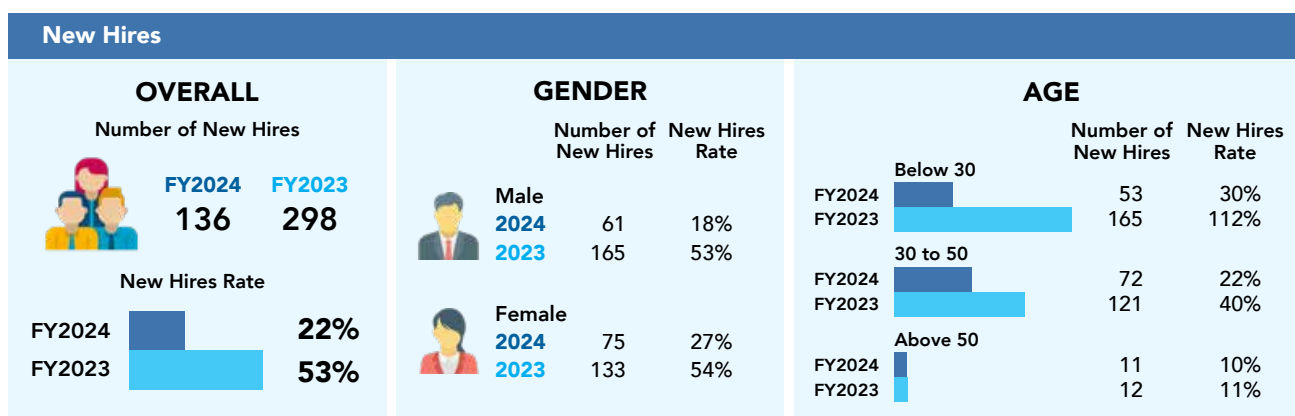
We offer a wide range of employee benefits in a clear and transparent manner, with details outlined in our Employee Handbook. Eligible full-time employees receive various benefits including paid leave, maternity and paternity leave (collectively referred to as "Parental Leave"), medical benefits and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

Performance

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

New Hire¹⁹

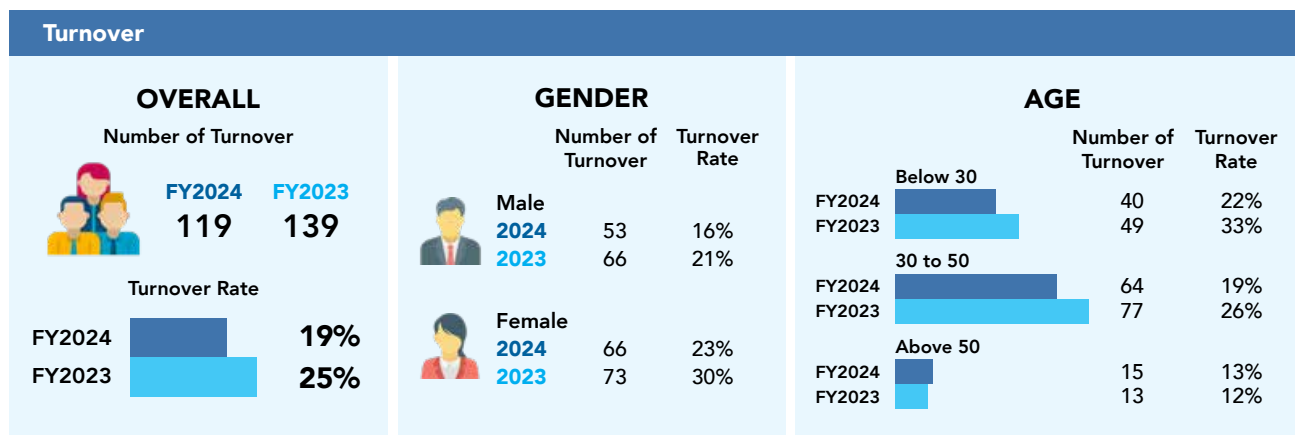
Key statistics on new hire of our employees are as follows:



¹⁹ New hire related statistics are calculated based on the number of new hires over total employees by gender and age.




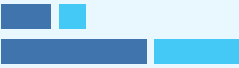






Turnover²⁰

Key statistics on turnover of our employees are as follows:



Training Hours

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

Performance indicator		FY2024	FY2023	
	Overall Total training hours Average training hours per employee	16,021 25.7	5,603 10.0	
	Gender (Male) Total training hours Average training hours per employee	6,542 19.2	3,484 11.2	
	Gender (Female) Total training hours Average training hours per employee	9,479 33.5	2,119 8.6	
	Management Total training hours Average training hours per employee	5,716 44.0	1,807 13.7	
	Non-management Total training hours Average training hours per employee	10,305 20.9	3,796 8.9	

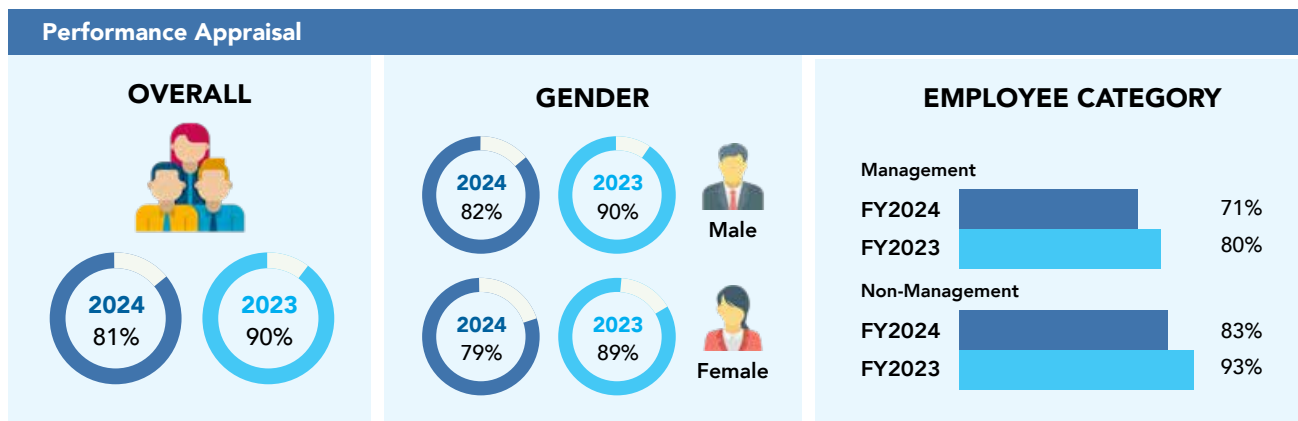
We continue to invest in our employees, and this is evident in the increase in the average training hours per employees. During the Reporting Period, our employees underwent training relating to the hotel property management system that equips our employees with the necessary skillsets such as navigating the hotel reservation management system, administrative tasks including housekeeping, occupancy management, and payment processing.

²⁰ Turnover related statistics are calculated based on the number of turnovers of confirmed employees over total employees by gender and age.

Sustainability Report

Performance Appraisal

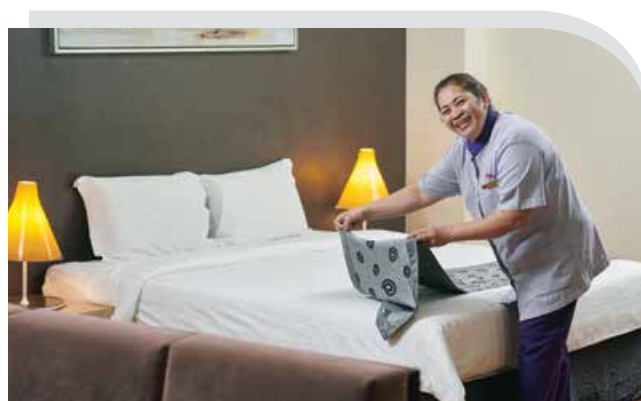
Key statistics on performance appraisal for our full-time employees are as follows:



Parental Leave

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

Sustainability Metric	Male		Female	
	FY2024	FY2023	FY2024	FY2023
Number of employees are entitled to Parental Leave	70	112	150	58
Number of employees who took Parental Leave	5	7	3	5
Number of employees who returned to work after Parental Leave ended	5	7	2	4
Number of employees who continued to be with us 12 months after they returned to work	-	-	1	1
Return to work rate of employees who took Parental Leave	100%	100%	67%	80%
Retention rate of employees who took Parental Leave ²¹	-%	-%	25%	33%



²¹ Retention rate is calculated based on the number of employees who took Parental Leave in the preceding Reporting Period.

DIVERSITY AND EQUAL OPPORTUNITY

Commitment

We aim to achieve diversity and equal opportunity for our employees and have zero tolerance for employee discrimination or gender-bias in our employee recruitment and advancement policies.

Approach


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

To support these values, we implemented the following HR-related measures:

- A zero-discrimination policy to ensure a fair and inclusive working environment;
- Structured interview assessment procedures that eliminate discriminatory questions, focusing on merit and competency;
- Regular employee performance assessments to evaluate performance and adjust remuneration when justified. (Refer to above section 'Employee Development and Retention' for more information); and
- Employee recruitment advertisements do not discriminate against applicants-based age, race, gender or religion preferences to ensure our hiring practice is fair, merit-based, and non-discriminatory.

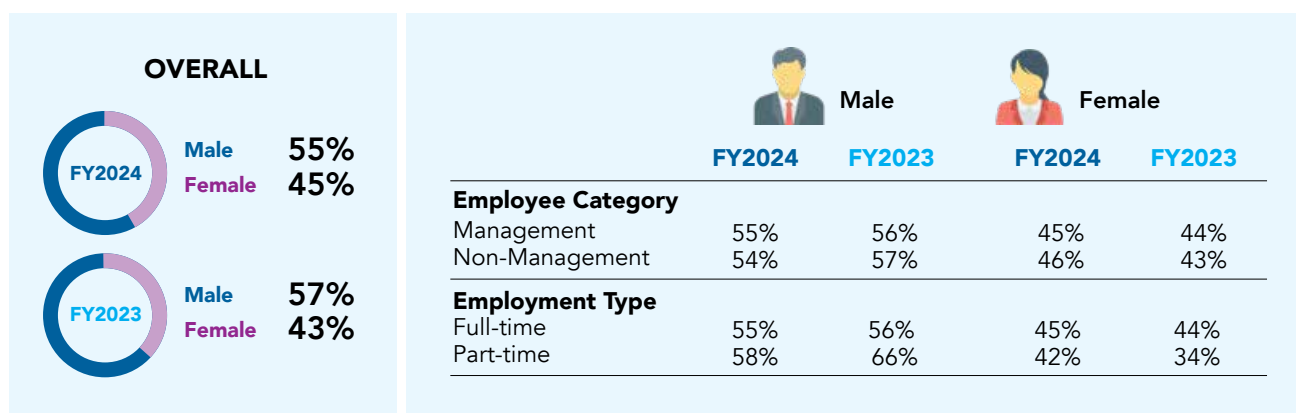
Performance

As at 31 December 2024, we have a workforce of 648 permanent full-time and part-time employees (FY2023: 608 permanent full-time and part-time employees) to support our operations in Singapore, Malaysia and Thailand.

	Singapore	Malaysia	Thailand	Total
 Workforce ²²	201	225	222	648
Full-time	186	221	217	624
Part-time ²³	15	4	5	24

Gender Diversity

We currently have one (1) female director on the Board (FY2023: zero), and are committed to increase the female representation as we believe a diverse Board, including greater gender diversity, enhances decision-making and overall Group performance.



²² Non-guaranteed employees are excluded from the headcount of part-time employees as they only amount to 2% of the Group's headcount, which is immaterial to the total number of Group's employees.

²³ Part time employees are employees who are under a contract of service to work less than a certain number of hours a week as defined by the relevant authorities.

Sustainability Report

Age Diversity

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

Sustainability Metric	FY2024			FY2023		
	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
Overall	28%	52%	20%	26%	53%	21%
Employee Category						
Management	11%	65%	24%	12%	63%	25%
Non-management	32%	50%	18%	30%	50%	20%
Employment Type						
Full-time	29%	53%	18%	26%	54%	20%
Part-time	13%	33%	54%	26%	42%	32%

Diversity in Educational Background

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

Sustainability Metric	FY2024		FY2023	
	Tertiary	Non-tertiary	Tertiary	Non-tertiary
Education Diversity	31%	69%	33%	67%

During the Reporting Period, there were zero incidents of unlawful discrimination against employees (FY2023: zero incidents).

ONGOING COMMUNITY ENGAGEMENT

Commitment

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

Approach

As part of our commitment to enrich the lives of communities, we promote programmes across our geographical operations, focusing on three (3) key areas (“**Focus Areas**”) of:

Focus Areas of our Community Programmes



THE ARTS

Sponsoring room nights for regular arts beneficiary.

THE PEOPLE

Enriching the communities and the needy.

THE ENVIRONMENT

Preserving and restoring the environment.

SUPPORTING THE ARTS

Supporting Arts with the Theatre Practice

We are a strong advocate for the arts and have been sponsoring the Theatre Practice, an arts group that consciously nurtures and empowers people who care about humanity, since 2004. In FY2024, Hotel Royal Singapore and Hotel Royal Queens sponsored a total of 271 room nights for its production of arts programmes including 'The Least Gardener', 'Berries Chinese Theatre Festival: Family Edition' and 'Here Comes the Breakfast Kakis: Imagine Our Songs!'



SUPPORTING THE PEOPLE

Spreading Festive Joy with the Community

During Chinese New Year, Hotel Royal Signature contributed daily necessities to share the festive spirit with the residents of Tong Sim Senior Citizens Care Centre.

Hotel Royal Kuala Lumpur also continued its annual tradition by hosting a Chinese New Year celebration at Rumah Victory Drug Rehabilitation Centre. During this event, Hotel Royal Kuala Lumpur provided food, organized a Lion Dance performance, and distributed red packets to the attendees.

During the Ramadan season, Hotel Royal Signature invited 30 orphans and 5 caretakers from the Raudhatul Nurr Jannah Orphanage for a special Buka Puasa session, followed by Iftar²⁴. In addition, Hotel Royal Signature distributed 'Raya Green Packets', goodie bags and prepared a free-flow Ramadan buffet for the orphans. Furthermore, the hotel prepared and distributed 200 packets of Bubur Lambuk, a spiced porridge, and dates to people along Jalan Bukit Bintang.

Similarly, Hotel Royal Kuala Lumpur also hosted a special Buka Puasa and Iftar session, where they distributed 'Raya Green Packets' and thoughtful gift sets for the orphans.

For the Christmas season, Hotel Royal Signature hosted 56 underprivileged children from the Yayasan Sunbeams Home for a Hi-Tea session. The children participated in activities such as colouring, puzzles and games with our employees. To spread even more festive cheer, Santa Claus and Santarina made a joyful appearance, handing out candies to the children.



²⁴ The special session of Buka Puasa refers to the act of breaking fast, which is followed by Iftar, an evening meal that Muslims eat after breaking fast during Ramadan.

Sustainability Report

Supporting the Communities in Need

We actively support local communities through the following initiatives:

- Hotel Royal Bangkok contributed monetary aid to the 'Good Organisation Foundation', which provided assistance to flood victims in Thailand;
- Burasari Resort made regular donations to local communities including: (i) 50 food boxes annually to support people with disabilities in Phuket; and (ii) 100 sets of stationery and books to the Patong Municipality;
- Burasari Resort made monetary donations to the Thai Red Cross Society and Phuket Has Been Good Us Foundation, which provided scholarships for underprivileged children, as part of their Christmas fundraising campaign;
- Hotel Royal Queens collaborated with individuals with special needs from the Movement for the Intellectually Disabled of Singapore to produce guest souvenirs;
- Hotel Royal Queens donated stationeries to Share Your Spare, a non-profit organisation focusing on the less fortunate; and
- Hotel Royal Queens engaged the mobile massage team from the Singapore Association of the Visually Handicapped for employee engagement activities.



Donating Blood to those in Need

In collaboration with the mobile team from Pusat Darah Negara, Malaysia's Ministry of Health, Hotel Royal Signature organised a blood donation campaign, with more than 20 bags of blood donated by our employees. Similarly, 17 employees from Burasari Resort participated in the blood donation drive at Holiday Inn Phuket, which was organized by Vachira Hospital.



SUPPORTING THE ENVIRONMENT

Cleaning up the Local Neighbourhood

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



Cleaning up the Beaches

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

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



Sustainability Report

Performance

Key statistics on our community outreach activities are as follows:

Topic	Sustainability Metric	FY2024	FY2023
Giving socially responsible business-related practices	Community investment ²⁵ (S\$)	106,514	102,327
	Contribution of community investment to value distributed (%)	0.3%	0.3%
Volunteering	Volunteering time (hours) ²⁶	80	NA ²⁷
	Number of employee volunteers	411	NA ²⁷
Socially responsible business-related practices	List of socially responsible business-related practices	Refer to above section 'Approach' for further information.	Refer to Sustainability Report FY2023 for further information
General	Number of community investment programme	33	NA ²⁷

COMMITMENT TO DATA PROTECTION

Commitment

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

Approach

In the countries where we operate, we adhere to the relevant personal data protection regulations, which govern the collection, use, disclosure and care of personal information. To ensure compliance with these regulations and safeguard the personal data we handle, we implemented the following measures:

Proactive Management of Personal Data

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

Implement Security Measures to Protect our Data

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

Performance

During the Reporting Period, there were zero substantiated complaints concerning breaches of customer privacy and losses of customer data⁶ (FY2023: zero).

²⁵ Our community investments include direct financial support and in-kind charitable sponsorships.

²⁶ Volunteering time comprise skill-based volunteering hours, whereby our employees used their specialised or professional skills to support a non-profit organisation.

²⁷ No comparative data is available as it was not tracked previously.

HUMAN RIGHTS AND LABOUR STANDARDS

Commitment

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

Approach

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

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

Performance

For the Reporting Period, there were zero incidents of labour or human rights violations (FY2023: zero).



Sustainability Report

GOVERNANCE

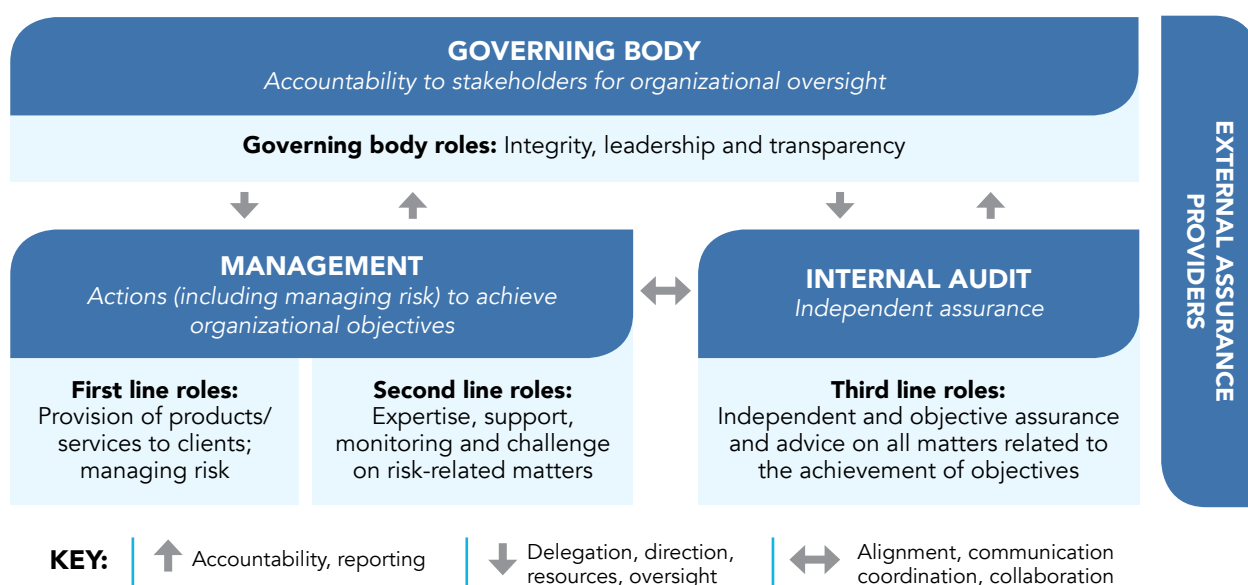
ROBUST CORPORATE GOVERNANCE FRAMEWORK

Commitment

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

Approach

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



Source: Three Lines Model issued by the IIA

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

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

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

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

Performance

Key statistics on our compliance matter are as follows:

Sustainability Metric	FY2024	FY2023
Number of reported incidents of serious offence ⁸	-	-
Number of incidents of non-compliance with laws and regulation ⁹ for which fines and/or non-monetary sanctions were incurred	-	-

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



Sustainability Report

TARGETS AND PROGRESS

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

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

S/N	Material Sustainability Factor	Target ²⁸	Current Year Performance
Economic			
1	Customer Satisfaction and Service Quality	<p>Ongoing and long-term</p> <ul style="list-style-type: none"> Maintain or improve customer satisfaction score Maintain or improve employee satisfaction score <p>Short-term Obtain a hotel sustainability certification through an authorized Global Sustainable Tourism Council – Accredited Certification Body</p>	<p>●●○ We achieved a customer satisfaction score of 88% and is on track to meet the ongoing and long-term target.</p> <p>●●● We improved our employee satisfaction score to 81%.</p> <p>○○○ This is a new short-term target for customer satisfaction and service quality.</p>
2	Sustainable Business Performance	<p>Short-term Improve or maintain our financial performance subject to market conditions</p>	<p>●●● We improved our financial performance and increased the value-added to SGD 38.9 million.</p>
Environmental			
3	Water Conservation	<p>Ongoing-term and long-term Maintain or reduce water consumption intensity</p>	<p>●○○ The water consumption intensity increased to 0.46 cubic metres/ number of guest nights.</p>
4	Responsible Waste Management	<p>Ongoing-term and long-term Maintain or reduce waste generated intensity at 0.001 tonnes/number of guest night</p>	<p>●●● We maintained the waste generated intensity at 0.001 tonnes/ number of guest nights.</p>
5	Energy Conservation and GHG Emissions Reduction	<p>Short term Maintain or reduce GHG emissions intensity by FY2025, with FY2022 as our baseline</p> <p>Medium-term Reduce aggregated absolute Scope 2 GHG emission by 30% and by FY2035, with FY2022 as baseline</p> <p>Long-term Aspire to achieve carbon neutrality by FY2050</p>	<p>●○○ The GHG emissions intensity increased to 0.022 tonnes CO₂e/ number of guest nights.</p> <p>●○○ The aggregated absolute Scope 2 GHG emissions increased to 19,121 tonnes CO₂e.</p> <p>○○○ This is a new long-term target for energy conservation and GHG emissions reduction.</p>

²⁸ Time horizons for target setting are: (1) short-term: within 5 years (until FY2028); (2) medium-term: between 5 to 20 years (FY2029 and FY2043); (3) long-term: above 20 years (FY2044 onwards); and (4) ongoing: encompassing short, medium and long-term.

S/N	Material Sustainability Factor	Target ²⁸	Current Year Performance
Social			
6	Employee Safety and Well-Being	Ongoing and long-term Maintain zero workplace fatalities, high consequence work-related injuries, recordable work-related injuries and ill health cases	●○○ The number of recordable work-related injuries increased to 10.
7	Employee Development and Retention	Ongoing and long-term <ul style="list-style-type: none"> • Maintain or improve average training hours per employee at 15 hours • Maintain or reduce employee turnover rate at 25% 	●●● We achieved 25.7 average training hours per employee. ●●● We achieved an employee turnover rate of 19%.
8	Diversity and Equal Opportunity	Ongoing and long-term Maintain zero incidents of unlawful discrimination against employees	●●● We maintained zero incidents of unlawful discrimination against employees.
9	Ongoing Community Engagement	Ongoing and long-term Continue to initiate campaigns to help the communities	●●● We continued to initiate and engage with campaigns to help the communities.
10	Commitment to Data Protection	Ongoing and long-term Maintain zero incidents of substantiated complaint concerning breaches of data privacy and losses of personal data	●●● We maintained zero incidents of substantiated complaint concerning breaches of data privacy and losses of personal data.
11	Human Rights and Labour Standards	Ongoing and long-term Maintain zero reported incidents of labour or human rights violations	●●● We maintained zero reported incidents of labour or human rights violations.
Governance			
12	Robust Corporate Governance Framework	Ongoing and long-term <ul style="list-style-type: none"> • Maintain zero incidents of serious offence⁸ • Maintain zero incidents of non-compliance with laws and regulations⁹ for which fines and/or non-monetary sanctions were incurred 	●●● We maintained zero incidents of serious offence. ●●● We maintained zero incidents of non-compliance with laws and regulations for which fines and/or non-monetary sanctions were incurred.

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

Sustainability Report

TCFD DISCLOSURES

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

GOVERNANCE

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

Our sustainability governance structure includes the Board, SSC and various working groups across from our various business units and corporate functions. The Board has ultimate oversight of the climate-related risks and opportunities and considers climate-related issues in setting the Group's strategic direction, policies and targets.

Our sustainability strategy is formulated by the SSC in consultation with the Board. The SSC, which is led by the CEO and include the C-suite executives, General Managers, Hotel Managers and Heads of Departments. The responsibilities of the SSC include considering climate-related issues in the development of sustainability strategy and policy, target setting, collection, monitoring and reporting of performance data, as well as management of risks and opportunities including those associated with climate change.

STRATEGY

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

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

Scenario	Description
NGFS – Orderly	This scenario assumes that climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued through cohesive stringent climate policies and innovation.
NGFS – Hot house world	This scenario assumes that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise. Only currently implemented policies are preserved, leading to high physical risks.

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

Risk and Potential Impact	Significance of Financial Impact ²⁹				Mitigating Measure	Climate-related Opportunity
	Current Effect (SGD)	Short Term	Medium Term	Long Term		
KEY PHYSICAL RISK IDENTIFIED						
Increased severity of extreme weather events						
<p>Adverse changes in climate patterns such as rising temperatures and extreme weather events (such as floods and droughts) may cause accessibility issues to and from our properties and disruption in our operations, leading to adverse impact on financial performance.</p> <p>Additionally, with rising temperatures and more frequent heatwaves resulting from global warming and climate change, the risks of increased cooling expenditures and reduced labour productivity are expected to rise.</p> <p>We remain vigilant in monitoring the impact of climate change on our operations, mindful of the USD 16 million per hour³⁰ arising from climate-related damage.</p>	Scenario: Orderly				<p>We put in place a climate change transition plan to steer us on our decarbonisation journey.</p> <p>You may refer to Section 'Energy Conservation and GHG Emissions Reduction'.</p>	<p>In view of the potential environmental risks and the resultant emerging needs for energy efficiency and lower emissions, the Group realizes the opportunity to invest in energy-efficient technologies and renewable energy use.</p>
	NA ³¹	●	●	●		
	Scenario: Hot house world					
	NA ³¹	●	●	●		
KEY TRANSITION RISK IDENTIFIED						
Enhanced GHG emissions reporting obligations						
<p>With rising concerns over the effects of climate change, key stakeholders such as the Regulators and Shareholders are requiring reporting of climate-related information. Failure to comply with enhanced GHG emissions reporting obligations may lead to adverse impacts on the Group's reputation and financial performance.</p> <p>These new requirements necessitate the investment of manpower resource in more comprehensive data collection, analysis, and reporting processes, greater involvement from management, and additional costs for consultants and employee training.</p>	Scenario: Orderly				<p>To strengthen our sustainability governance structure, we put in place a Sustainability Committee for managing and monitoring our material Sustainability Factors, including working with the various business units and corporate functions to ensure that these are integrated into our day-to-day operations.</p> <p>In addition, we established terms of reference for component parties involved in the sustainability reporting process, for clarity and accountability purposes.</p>	<p>The enhanced emissions reporting obligations and increase in regulatory costs will raise climate awareness among our employees.</p> <p>With more defined job responsibilities and training, the Group will also be better positioned to use energy resources responsibly and adopt environmentally friendly practices.</p>
	28,083	●	●	●		
	Scenario: Hot house world					
	28,083	●	●	●		

Legend

- Minor
- Moderate
- Major

²⁹ Significance of financial impact is determined based on the risk appetite established in accordance with the Group's ERM framework.

³⁰ Source: <https://www.weforum.org/agenda/2023/10/climate-loss-and-damage-cost-16-million-per-hour/>

³¹ We are unable to estimate the current financial effect due to uncertainties in the inputs and assumptions resulting from the lack of available data, including information about climate outcomes and their effects on the Group. We will continue to monitor credible information to support our disclosures in this area.

Sustainability Report

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

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

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

Through our climate scenario analysis, we concluded that unmitigated climate risks (under hot house world scenario: > 4°C warming) may lead to severe long-term financial impacts. Under an orderly scenario, the majority of the impact will stem from transition risks, particularly related to enhanced GHG emissions reporting obligations. To address the risks and capitalise on opportunities presented by climate change, we will continue to strengthen our strategy, ensuring resilience as we progress in our sustainability journey.

RISK MANAGEMENT

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

Climate-related risk management is integrated into our ERM framework, where potential climate-related risks are identified, assessed, monitored and managed. Each business unit and function is responsible for identifying and documenting the climate-related risks that may impact their progress towards contributing to the Group's business objectives. These risks, along with corresponding opportunities and treatment plans, are reviewed and updated during the ERM exercise. The updated information is then presented to the ARC alongside other key enterprise-wide risks. Additionally, climate-related risks are continuously monitored through the analysis of climate-related Sustainability Metrics.

METRICS AND TARGETS

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

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

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

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

Our disclosure on indirect GHG emissions (Scope 3) includes purchased goods and services (category 1), waste generated in operations (category 5), business travel (category 6) and employee commuting (category 7) in FY2024.

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

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

INDUSTRY-BASED GUIDANCE ON IMPLEMENTING CLIMATE-RELATED DISCLOSURE METRICS

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

Sustainability Disclosure Topics

Topic	Code	Metric	FY2024
Energy management	SV-HL-130a.1	Total energy consumed (GJ)	114,267
		Percentage grid electricity (%)	96
		Percentage renewable (%)	–
Water management	SV-HL-140a.1	Total water withdrawn (Cubic metres)	412,124
		Total water consumed, percentage of each region with high or extremely high baseline water stress (%)	10
Climate change adaption	SV-HL-450a.1	Number of lodging facilities located in 100-year flood zones ³²	2

Activity Metrics

Activity Metric	Code	Unit of Measure	FY2024
Number of available room-nights	SV-HL-000.A	Number	684,375
Average occupancy rate ³³	SV-HL-000.B	Rate	0.69
Total area of lodging facilities ³⁴	SV-HL-000.C	Square metres	175,473

³² The 100-year flood zones are determined based on the individual countries floodplain mapping systems.

³³ The average occupancy rate is measured as number of occupied room-nights divided by available room-nights across all properties.

³⁴ The scope includes facilities that were owned, operated, leased, or franchised during any portion of the reporting period.



Sustainability Report

GRI CONTENT INDEX

Statement of Use	Hotel Royal Limited reported the information cited in the GRI content index for the period from 1 January 2024 to 31 December 2024 in accordance with the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard	Disclosure	Location
GENERAL DISCLOSURE		
GRI 2: General Disclosures 2021	2-1 Organisational details	3, 40, 92
	2-2 Entities included in the organisation's sustainability reporting	20, 41
	2-3 Reporting period, frequency and contact point	41
	2-4 Restatements of information	39, 56
	2-5 External assurance	41
	2-6 Activities, value chain and other business relationships	40
	2-7 Employees	61-62 We have approximately 66 non-guaranteed hours employees in FY2024. They are employees from food and beverage services, maintenance, housekeeping and front office.
	2-8 Workers who are not employees	We have approximately 137 workers who are not employees in FY2024. They include workers in front office, kitchen, housekeeping and maintenance.
	2-9 Governance structure and composition	12-14,43-44,92
	2-10 Nomination and selection of the highest governance body	101-104
	2-11 Chair of the highest governance body	12, 100-102
	2-12 Role of the highest governance body in overseeing the management of impacts	43-44, 72
	2-13 Delegation of responsibility for managing impacts	43-44, 72
	2-14 Role of the highest governance body in sustainability reporting	43-44, 72
	2-15 Conflicts of interest	95
	2-16 Communication of critical concerns	68-69, 111
	2-17 Collective knowledge of the highest governance body	43, 95
	2-18 Evaluation of the performance of the highest governance body	104-105
	2-19 Remuneration policies	105-109
	2-20 Process to determine remuneration	105-109
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	38
	2-23 Policy commitments	43-45, 50-56, 61, 66-69
	2-24 Embedding policy commitments	43-45, 50-56, 61, 66-69, 117
	2-25 Processes to remediate negative impacts	68-69, 98, 111

GRI Standard	Disclosure	Location
GENERAL DISCLOSURE		
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	68-69, 98, 111
	2-27 Compliance with laws and regulations	48, 57-58, 66, 68-69
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	42, 116
	2-30 Collective bargaining agreements	As at 31 December 2024, 18% of our full-time employees in our workforce are covered by collective bargaining agreements. The collective bargaining agreements only cover the rank-and-file employees who are mainly clerical, sales and service employees.
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	45
	3-2 List of material topics	46-47
	3-3 Management of material topics	47-69
SUSTAINABLE BUSINESS PERFORMANCE		
GRI 3: Material Topics 2021	3-3 Management of material topics	49
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	49
	201-2 Financial implications and other risks and opportunities due to climate change	72-74
	201-3 Defined benefit plan obligations and other retirement plans	149-150, 176-179
	201-4 Financial assistance received from government	147, 180
ROBUST CORPORATE GOVERNANCE FRAMEWORK		
GRI 3: Material Topics 2021	3-3 Management of material topics	68-69
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	68-69
	205-2 Communication and training about anti-corruption policies and procedures	68-69
	205-3 Confirmed incidents of corruption and actions taken	68-69
ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION		
GRI 3: Material Topics 2021	3-3 Management of material topics	53-56
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	53-56
	302-2 Energy consumption outside of the organization	53-56
	302-3 Energy intensity	53-56
	302-4 Reduction of energy consumption	53-56
	302-5 Reductions in energy requirements of products and services	53-56
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	53-56
	305-2 Energy indirect (Scope 2) GHG emissions	53-56
	305-3 Other indirect (Scope 3) GHG emissions	53-56
	305-4 GHG emissions intensity	53-56
	305-5 Reduction of GHG emissions	53-56

Sustainability Report

GRI Standard	Disclosure	Location
ENERGY CONSERVATION AND GHG EMISSIONS REDUCTION		
GRI 305: Emissions 2016	305-6 Emissions of ozone-depleting substances (ODS)	Disclosure is not applicable as we do not emit a material amount of these emissions through our products, services and operations.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Disclosure is not applicable as we do not emit a material amount of these emissions through our products, services and operations.
WATER CONSERVATION		
GRI 3: Material Topics 2021	3-3 Management of material topics	50
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	50
	303-2 Management of water discharge-related impacts	Disclosure is not applicable as we do discharge a material amount of wastewater or effluents in our operations.
	303-3 Water withdrawal	50
	303-4 Water discharge	Disclosure is not applicable as we do discharge a material amount of wastewater or effluents in our operations.
	303-5 Water consumption	50
RESPONSIBLE WASTE MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	51-52
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	51-52
	306-2 Management of significant waste-related impacts	51-52
	306-3 Waste generated	51-52
	306-4 Waste diverted from disposal	51-52
	306-5 Waste directed to disposal	51-52
EMPLOYEE DEVELOPMENT AND RETENTION		
GRI 3: Material Topics 2021	3-3 Management of material topics	58-60
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	58-60
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	58-60
	401-3 Parental leave	58-60
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	58-60
	404-2 Programs for upgrading employee skills and transition assistance programs	58-60
	404-3 Percentage of employees receiving regular performance and career development reviews	58-60

GRI Standard	Disclosure	Location
EMPLOYEE SAFETY AND WELL-BEING		
GRI 3: Material Topics 2021	3-3 Management of material topics	57
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	57
	403-2 Hazard identification, risk assessment, and incident investigation	57
	403-3 Occupational health services	57
	403-4 Worker participation, consultation, and communication on occupational health and safety	57
	403-5 Worker training on occupational health and safety	57
	403-6 Promotion of worker health	57
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	57
	403-8 Workers covered by an occupational health and safety management system	57
	403-9 Work-related injuries	57
	403-10 Work-related ill health	57
DIVERSITY AND EQUAL OPPORTUNITY		
GRI 3: Material Topics 2021	3-3 Management of material topics	61-62
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	61-62
	405-2 Ratio of basic salary and remuneration of women to men	Information is not provided due to confidentiality constraints.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	61-62
ONGOING COMMUNITY ENGAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	62-66
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	62-66
	413-2 Operations with significant actual and potential negative impacts on local communities	50-56, 62-66
COMMITMENT TO DATA PROTECTION		
GRI 3: Material Topics 2021	3-3 Management of material topics	66
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	66

Investor Relations

We aim to build and maintain investor confidence and trust through open dialogue and two-way communications.

Our Investor Relations (IR) policy ensures that all shareholders are informed comprehensively and promptly concerning every significant and material development involving the Group.

In line with the Singapore Exchange Listing Rules and the Singapore Companies Act, our IR policy does not allow preferential and selective disclosures to any group of shareholders.

We disseminate our financial performance, business strategies and other relevant corporate information in a clear and timely manner to our shareholders and the investing public. This information is available via various platforms such as SGXNet and the Company's website. Our communications comprise notifications of corporate results, press releases and other relevant announcements, annual report, and sustainability report. Apart from general information about the Company, our corporate website also contains announcements, news releases, financial statements (current and past), annual reports (current and past years) and key events.

In addition, we actively engage with shareholders at our annual and extraordinary general meetings to provide them with information that they need to make decisions about the Company while taking the opportunity to solicit and understand their views.

Shareholders can also contact us directly via a dedicated email - ir@hotelroyal.com.sg. This email contact is also stated on the inside cover page of our annual report as well as our website. The Company endeavours to respond to all queries.

Apart from timely disclosures pertaining to our financial and operations performance, we have also focused on environmental, social and governance (ESG) matters which have gained increasing attention from various investors. Our engagements in these issues are mainly conveyed through multiple touch points, including one-to-one meetings, participation in industry conferences as well as our Investor Relations website.

CALENDAR OF EVENTS

FY2023	FY2024	EVENT
1-Mar	28-Feb	Full-Year Results Announcement
12-Apr	5-Apr	Annual Report
28-Apr	26-Apr	Annual General Meeting
9-Jun	6-Jun	Payment of Dividend
10-Aug	13-Aug	Half-Yearly Results Announcement



Corporate Social Responsibility

THE ENVIRONMENT

The Group is committed to managing the environmental impact of its operations, focusing on energy consumption, water use, and waste generation. The hotels comply with regulatory requirements in Singapore, Malaysia, and Thailand.

Sustainability is crucial for the Group's long-term success, driving both profitability and shareholder value. The Group is focused on protecting the environment, empowering people and communities, and strengthening corporate stewardship. CSR and sustainability are central to the Group's 5-Year Roadmap, which aims to ensure competitiveness and growth.

As part of its transition to low carbonization, the Group continuously evaluates energy consumption and GHG emissions to reduce its carbon footprint. The Sustainability Report (Pages 38-79) outlines the plan, strategy, and targets to reduce environmental impacts while ensuring operational resilience and delivering sustainable long-term value to stakeholders. The approach balances managing business operations and minimizing environmental impact.

Energy Conservation and GHG Emissions Reduction

At Hotel Royal, we regularly track and review our energy consumption. We update our GHG emissions profile annually for Scope 1, 2, and 3 emissions based on defined boundaries and whenever there are significant changes to our business models or processes. It tracks Scope 1, 2, and certain Scope 3 emissions, and is working on mechanisms to monitor additional Scope 3 emissions where feasible. We have a climate change transition plan in place, which will be refined over time based on business, environmental, and market changes. Progress updates will be shared in future sustainability reports, which will undergo internal review for compliance.

GHG emissions are measured according to the GHG Protocol, using an operational control approach to define reporting boundaries. This approach is selected because it allows for practical management of emissions within areas where the organization has control.

On our decarbonisation journey, we commit to reduce our aggregated absolute Scope 2 GHG emissions by 30% by FY2035 and aspire to achieve carbon neutrality by FY2050, with FY2022 as our baseline.

For more information about our energy consumption, energy consumption intensity and GHG emissions, please refer to Pages 54-56 of this Annual Report.

Water Conservation

Water is a vital resource used across various hotel operations, including guest rooms, hot water supply, cooling towers, food & beverage, housekeeping, recreational facilities, and



public amenities. To promote proper water usage, the hotel has implemented several initiatives, including:

- Installing a Building Management System at Hotel Royal and Hotel Royal Queens to quickly address water leakage.
- Appointing facility management teams to oversee water conservation efforts.
- Displaying water conservation posters, setting policies, and establishing procedures to remind employees of water's importance.
- Installing motion sensor taps in public washrooms and water meters to monitor water flow.
- Moderating water pressure in guest rooms and public toilets to reduce water flow.
- Conducting a preventive maintenance program for plumbing systems, pipes, tanks, and faucets to ensure proper function and prevent leaks.

In FY2024, our water consumption rose 28.5% to 412,124 cubic metres which translates to a water consumption intensity of 0.46 cubic metres per guest night.

For more information about our water consumption, please refer to Page 50 of this Annual Report.

Corporate Social Responsibility

Waste Management

In line with our “Reduce, Reuse, Recycle” policy, the Group implements initiatives to minimize waste from operations, including recyclable waste, food waste, unsaleable food, laundry waste, and furniture/fixtures. The goal is to improve waste management, maximize resource use, reduce water wastage, and promote a circular economy.

Each property follows recycling procedures for non-hazardous materials like cardboard, paper, plastics, and glass, which are disposed of by third-party contractors.

To manage food waste, two bio-digestors have been installed at Hotel Royal Singapore to convert food waste

into organic fertilizer. The Group also implements food process controls to reduce wastage, evaluates suppliers on sustainability, and reduces packaging for customers.

To minimize single-use plastics, water dispensers are installed on every floor at Hotel Royal Singapore, Hotel Royal Queens, and Baba House, and water filters are placed in every guest room at Hotel Royal Signature. Additionally, the Group sources from eco-friendly suppliers to reduce plastic packaging.

For more information about the waste generated by our operations, please refer to Page 52 of this Annual Report.



THE COMMUNITY & THE ARTS

At Hotel Royal, we are deeply committed to making a positive impact in the communities where we operate. In FY2024, our properties contributed a total of S\$106,514 in cash and kind.

Arts Sponsorship

As part of our ongoing support for the arts, our Singapore properties—Hotel Royal Singapore and Hotel Royal Queens—sponsored a total of 271 room nights for Singapore-based arts group The Theatre Practice. The company had an exceptionally busy season, producing over 10 productions between April and December 2024. Meanwhile, in Melaka, Baba House proudly served as a venue sponsor for a number of events during the year – such as “Magic of Vivaldi’s Four Seasons Violin Concert”, the Polish Piano Show organised by the Polish Embassy in Malaysia and Dr. Silvia Wang’s Piano Recital Show.

Community Engagement

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

Hotel Royal Queens collaborated with MINDS (Movement for the Intellectually Disabled of Singapore) to support the production of souvenirs for our guests. The hotel also made a meaningful contribution to Share Your Spare, a non-profit organization that supports underprivileged children in the Philippines through feeding programs and the collection of toys, school supplies, books, and clothes. On Staff Appreciation Day, we partnered with the Singapore Association of the Visually Handicapped to offer massage therapy to our employees, providing relaxation while also creating valuable employment opportunities for members of the association.

Spreading Joy During Festivities

Throughout the festive seasons, we have continued our tradition of spreading joy in the community. During Hari Raya, Hotel Royal Kuala Lumpur brightened the days of local fire stations by gifting Bubur Lambuk, a beloved Malaysian delicacy. This year, Hotel Royal Signature participated in this tradition for the first time. Both hotels also extended their support during Ramadan, assisting local orphanages such as Anak Yatim and Raudhatul Nurr Jannah.

At Chinese New Year, our teams visited homes like Rumah Victory and the Tong Sim Senior Citizens Care Centre, sharing festive cheer with the elderly. Hotel Royal Signature also hosted a Christmas event in partnership with Yayasan Sunbeams, bringing holiday joy to underprivileged children.

Supporting Communities in Need

Hotel Royal Bangkok donated to the Good Organisation Foundation, providing assistance to victims of the severe floods in Northern Thailand. Burasari Resort in Phuket also made significant contributions, including food aid

for the disabled and donations of stationeries and books to children in Patong municipality. In addition, Burasari Resort supported the Thai Red Cross Society with financial contributions to the people of Kahu District in Phuket, further reinforcing our commitment to local outreach. Burasari Resort also supported the "Phuket Has Been Good To Us Foundation" by participating in their Christmas fundraising campaign, which helps provide scholarships to underprivileged children.

Hotel Royal Signature also organized a successful blood donation drive at Signature Ballroom 2, in collaboration with Pusat Darah Negara's mobile team. The campaign received an incredible response, with over 20 bags of blood donated by our employees. Additionally, 17 Burasari Resort employees participated in a blood donation drive at Holiday Inn Phuket, organized by Vachira Hospital.

At Hotel Royal, we are incredibly proud of our ongoing efforts to support both local and international communities. We look forward to continuing our contributions and making an even greater impact in the years to come.



1. Alicia Polish Embassy Featuring Polish Piano Show. 2. Vivaldi's Four Seasons Violin Concert. 3. All The World 4. International Kebaya Beauty Pageant Contestant Party. 5. Peranakan Wedding Wow Show. 6. French Fineries Show. 7. Teresa Teng 30th Anniversary Concert. 8. Charity for African Orphanage Children. 9. Inchawai Night Show.

People Report

JOY IN SERVING

At Hotel Royal, we believe that great service doesn't just bring joy to our guests—it sparks joy among our staff as well. We're thrilled whenever we receive positive feedback or compliments from guests, but we also see every complaint as an opportunity for improvement. Our team is trained to resolve issues swiftly and turn any situation into a chance for service recovery.

A recent example at Hotel Royal Kuala Lumpur highlights this commitment. A guest had a complaint about an unpleasant breakfast experience, which was immediately addressed by Assistant Front Office Manager Noraini. She quickly apologized, reported the issue to the relevant department, and sent a fruit basket to the guest's room as a gesture of goodwill. Thanks to her prompt and thoughtful response, the guest expressed his intention to return to Hotel Royal Kuala Lumpur in the near future.

Our staff is also trained to embody the true spirit of hospitality by being proactive and going above and beyond the call of duty. A shining example of this is Alfryro Ozaer, our Guest Experience Manager at Hotel Royal Queens. A recipient of the SHA/SKM Service Gold National Kindness and Excellent Service Awards in 2014, Alfryro is deeply passionate about delivering exceptional guest experiences and inspiring others to do the same.

For instance, just a day after Christmas last year, Alfryro learned that a guest wanted to arrange a surprise birthday cake for his son—but our hotel didn't offer vegan options. Without hesitation, Alfryro found a bakery that specialized in vegan cakes and personally arranged for a colleague to pick up and deliver the cake to the guest. This quick-thinking and thoughtful gesture ensured the guest had a memorable experience.

Alfryro's dedication to delighting guests is evident in the consistent praise he receives from both guests and colleagues. He also leads in-house training sessions on customer service excellence. "I maintain an optimistic attitude and focus on finding opportunities to exceed expectations," says Alfryro, embodying the essence of hospitality that sets Hotel Royal apart.

Jatujak Boonrat, Assistant Front Office Manager at Burasari Resort, known affectionately as Khun Sun, truly embodies the spirit of exceptional hospitality. On one occasion, he assisted a couple returning from a day trip when the husband began experiencing severe fatigue and difficulty breathing. Recognizing the seriousness of the situation, Khun Sun convinced the husband to seek medical attention and took immediate action, arranging for him to be admitted to the hospital. He also helped the wife, who couldn't speak English, with all the administrative procedures, including securing accommodation in Phuket Town to make it easier for her to visit her husband in the ICU. Throughout the six days her husband was hospitalized, Khun Sun continued to support the family, ensuring they had everything they needed until he was well enough to return home.



Mathanmogan Vikiramunathan

In another instance, a guest who had checked out of the resort accidentally left 100 Australian dollars in a pillowcase. The housekeeper found the money and promptly reported it to Khun Sun. After learning that the guest had already traveled to Koh Samui, Khun Sun arranged for the currency to be converted into Thai baht and transferred it to the hotel where the guest was staying, saving the guest the hassle and cost of a bank transfer. The guest was deeply impressed by Khun Sun's initiative and swift action.

Like Alfryro, Khun Sun is a dedicated mentor and strong supporter of his Front Office team, consistently uplifting team morale. He collaborates seamlessly with colleagues from other departments to ensure a smooth and seamless guest experience. His genuine passion for delivering exceptional service, along with his joyful approach to his work, is evident in everything he does.

PEOPLE REPORT

With 624 staff across the Group's properties in Singapore, Malaysia and Thailand, it is important that we have a structured 360-degree feedback loop which facilitates feedback between staff and management. Held every quarter, our staff are encouraged to suggest innovative ideas to improve productivity and resolve work-related issues.

Staff also participate in the annual Employee Satisfaction Survey which provides useful feedback about their training needs, job satisfaction, quality of the work environment, benefits and welfare. In 2024, the average score on the Employee Satisfaction Survey was 81 - a 4 percentage-point increase over the year-ago period.

We highly value all of our staff as they are ambassadors of our brand, and we strongly believe in training and upskilling them. Our ISO-certified staff training programmes emphasise four objectives – namely, customer service, attitude, recognition, and work efficiency. In addition, we also provide on-the-job training (OJT) for our front office, food & beverage, housekeeping and security, first aid and customer service employees.

In FY2024, training hours rose by 186% year-on-year to 16,020 hours across the Group, while average training hours per employee increased by 157% to 25.7 hours.

Every year, we also track another important metric – Customer Satisfaction Survey – which quantifies how our staff performs in terms of guest expectations. In 2024, the Survey yielded an average score of 88 which was a 1 percentage-point dip over the previous year. We also use this Survey to discuss with our staff how the Company as a whole can do better.

Joy in our achievements

Employees want recognition for excellent work – they need to feel that their performance whether it is individual achievements, team collaborations, and positive customer experiences, is reviewed in a fair and comprehensive way.

Every year, our staff in Singapore are recognised nationally through the annual **Excellence Service Awards** (organised by the Singapore Hotel Association); **Hotel Security Awards** (jointly organised by Singapore Hotel Association, Singapore Police Force and the National Crime Prevention Council); **Employee of the Year Awards** (organised by Food, Drinks and Allied Workers Union (FDAWU), National Trades Union Congress and Singapore Hotel Association), as well as the **SHA Bravery**, **SHA Honesty Awards** and

SHA/SKM Service Gold - National Kindness Awards. In addition, our properties also give recognition to exceptional employees for the months and quarters of each year.

In 2024, a total of 32 staff in Singapore won awards at the annual Excellence Service Awards – 4 Star, 11 Gold and 17 Silver awards. In addition, 3 staff received the Hotel Security Awards, while 1 staff won the SHA Bravery Award, 1 staff received the SHA Honesty Award and 2 more clinched the Employee of the Year Award.

Apart from national awards, our best performing staff for the year are recognised internally through the **“Outstanding Service Provider of the Year”** Award and **“Extra Mile Award”**. In addition, they also vie for the **“Outstanding Service Providers”** accolades each year.

Hotel Royal Singapore’s Senior Electrician, Mathanmogan Vikiramanathan, was recently honoured with the **“Employee of the Year Award”** presented by the Food, Drinks and Allied Workers Union (FDAWU), the National Trades Union Congress, and the Singapore Hotel Association. Described as a **“ray of sunshine”** within the hotel’s housekeeping and maintenance departments, Mathanmogan consistently brings a positive attitude and a strong work ethic. He is always willing to go the extra mile for both guests and colleagues. Known for his promptness and reliability, he efficiently handles his responsibilities, ensuring even the tightest deadlines are met so that rooms blocked for repairs are released on time. Beyond his technical role, Mathanmogan also showcases his creative talents by assisting with hotel decorations during festive seasons. Though not part of his core duties, he approaches these projects with the same dedication and passion he applies to his regular work.



Alfyro Bin Ozaer Al Johary



Nur Hidayah Md Jani



Jatujak Boonrat

People Report

NATIONAL AWARD

Coverage	Award Description
Hotel Royal Singapore	Friends of the Arts Award by National Arts Council
	NFEC Fire Safety Award 2024 by National Fire & Emergency Preparedness Council

SHA HOTEL SECURITY AWARD 2024 - SHA VIGILANCE AWARD

Coverage	Employee name	Designation	Department
Hotel Royal Singapore	Samuel Chan Kheng Mian	Security Supervisor	Security
	Zailani Bin Samsuri	Security Supervisor	Security
	Wahid A/L Parasuraman	Security Supervisor	Security

EMPLOYEE OF THE YEAR AWARD 2024 Organised by FDAWU (Food, Drinks and Allied Workers Union), National Trades Union Congress and Singapore Hotel Association

Coverage	Employee name	Designation	Department
Hotel Royal Singapore	Mathanmogan Vikiramanathan	Senior Electrician	Maintenance
Hotel Royal Queens	Maniselvan Krishnan	Senior Duty Manager	Front Office

SHA BRAVERY AWARD 2024

Coverage	Employee name	Designation	Department
Hotel Royal Queens	Aaryan Bin K Kannan	Bell Captain	Front Office

SHA HONESTY AWARD 2024

Coverage	Employee name	Designation	Department
Hotel Royal Queens	Bong Sam Moi	Senior Room Attendant	Housekeeping

NATIONAL KINDNESS AWARD AWARD 2024 - SHA/SKM SERVICE GOLD Organised by Singapore Hotel Association & Singapore Kindness Movement

Coverage	Employee name	Designation	Department
Hotel Royal Queens	Xing Shilei	F&B Supervisor	Food & Beverage
	Alfyro Bin Ozaer AL Johary	Guest Service Manager	Front Office

THE SINGAPORE HOTEL ASSOCIATION'S EXCELLENCE SERVICE AWARD 2024

Coverage	Category	Employee name	Designation	Department
Hotel Royal Singapore	Star	Tirumal A/L Ramakrishnan	Captain	Food & Beverage
	Gold	Elfira Fadianty	Linen Maid	Housekeeping
		Suci Fatimah	Senior Room Attendant	Housekeeping
		Stevani	Senior Room Attendant	Housekeeping
		Zailani Bin Samsuri	Security Supervisor	Security
		Wahid A/L Parasuraman	Security Supervisor	Security
		Helmey Bin Musrapa	Captain	Food & Beverage
		Muhammad Juin Bin Gunsilau	Junior Captain	Food & Beverage
	Silver	Dhurga Thevi Anbalahan	Senior F&B Service Agent	Food & Beverage
		Muhamad Arifin Bin Yaakob	Floor Supervisor	Housekeeping
		Mohamad Ikhrum Bin Harun	Senior Housekeeping Service Agent	Housekeeping
		Lingeshwari A/P A Thiagarajam	Senior Guest Relations Officer	Front Office

THE SINGAPORE HOTEL ASSOCIATION'S EXCELLENCE SERVICE AWARD 2024

Coverage	Category	Employee name	Designation	Department
Hotel Royal Queens	Star	Maniselvan Krishnan	Senior Duty Manager	Front Office
		Aaryan Bin K Kannan	Bell Captain	Front Office
		Mochsen Bin Mohd	Security & Safety Officer	Security & Safety
	Gold	Lee Qi Wu (Ivy)	Restaurant Manager	Food & Beverage
		Tham Chee Choong	Cook	Food & Beverage
		Goh Yi Kai	Housekeeping Coordinator	Housekeeping
		Gunalan A/L Murthy	Property Technician	Property
	Silver	Lily Tan	Housekeeping Assistant	Housekeeping
		Bong Sam Moi	Senior Room Attendant	Housekeeping
		Chong Yen Lin	Room Attendant	Housekeeping
		Sharon Manogaran	Assistant Sales Manager	Sales & Marketing
		Kwa Shu Min	Guest Service Officer	Front Office
		Nur Sabrina Binte Abdul Rahim	Guest Service Officer	Front Office
		Malathy Silvan	Guest Service Agent	Front Office
		Gaurana JR Meldwin Espaldon	Guest Service Agent	Front Office
		Xing Shilei	F&B Supervisor	Food & Beverage
		Salvador Genesis Galve	F&B Captain	Food & Beverage
		Fong Yee Loong	Cook	Food & Beverage
		Chua Pheh Khim (Jean)	F&B Clerk	Food & Beverage
Yng Bee Keng (Chris)	Account Assistant	Finance & Admin		

People Report

Hotel Royal
Singapore



Great Pleasure



诚心



delight



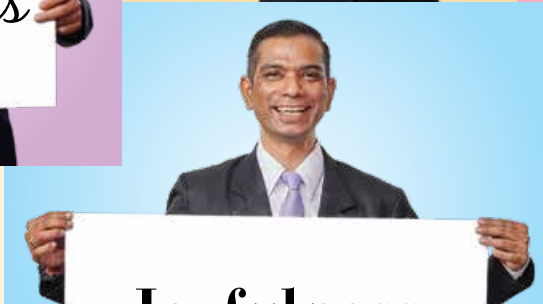
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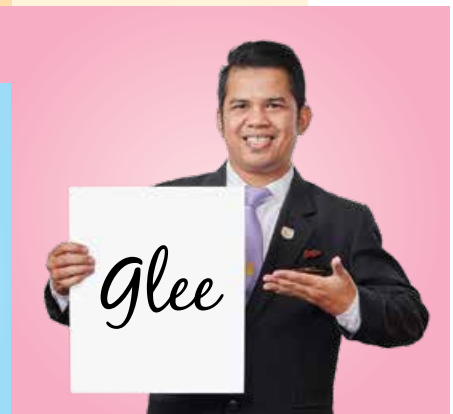
Joy



Happiness



Joyfulness



glee



People Report

Hotel Royal
Queens



Awards & Accolades

2024

Hotel Royal Singapore

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

Hotel Royal Kuala Lumpur

- Agoda Customer Review Award

Baba House

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

Hotel Royal Bangkok

- TripAdvisor Travelers' Choice Award

Burasari Resort

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

38th Anniversary Awards Night 2024



2023

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

2022

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

2021

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

2020

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

2019

- Hotel Security Excellence Award from Singapore Police, Singapore Hotel Association and National Crime Prevention Council.
- Commemorative Award (for being an EXSA Champion Organisation - 10 or more consecutive years of commitment and support to the Excellent Service Award Movement) at the Singapore Hotel Association's Excellent Service Award 2019.
- Friend of the Arts Award by National Art Council.

2018

- Best Investor Relations Award (Singapore Corporate Award) (Mid-Cap, Silver).
- Most Transparent Company Award (SIAS Investors' Choice Award) (Hotel/Restaurant, Winner).
- Hotel Security Excellence Award (Singapore Hotel Association, Singapore Police Force and National Crime Prevention Council).
- NFEC Fire Safety Award (National Fire & Civil Emergency Preparedness Council).
- Friend of the Arts Award (National Art Council).

Corporate Information

Board of Directors

Mr. Yang Wen-Wei
Independent Non-Executive Chairman
Mr. Leow Chung Chong Yam Soon, Paul
Independent Non-Executive Director
Mr. Lee Khin Tien
Non-Executive Director
Mr. Lee Kin Hong
Non-Executive Director
Dr. Lee Chu Muk
Non-Executive Director
Mr. Lee Chou Hor George
Non-Executive Director
Ms. Lim Siew Li
Independent Non-Executive Director

Audit and Risk Committee

Mr. Leow Chung Chong Yam Soon, Paul (Chairman)
Mr. Yang Wen-Wei
Mr. Lee Khin Tien
Ms. Lim Siew Li

Remuneration Committee

Mr. Yang Wen-Wei (Chairman)
Mr. Leow Chung Chong Yam Soon, Paul
Mr. Lee Khin Tien

Nominating Committee

Mr. Yang Wen-Wei (Chairman)
Mr. Leow Chung Chong Yam Soon, Paul
Mr. Lee Khin Tien

Company Secretary

Ms. Sin Chee Mei
Mrs. Wong Siew Choo

Share Registrar

B.A.C.S. Private Limited
77 Robinson Road
#06-03 Robinson 77
Singapore 068896
Tel: (65) 6593 4848
Email: main@zicoholdings.com

Registered Office

36 Newton Road
Singapore 307964
Tel: (65) 6426 0168
Fax: (65) 6256 2710
Email: royal@hotelroyal.com.sg

Auditors

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants Singapore
6 Shenton Way
OUE Downtown 2, #33-00
Singapore 068809
Tel: (65) 6224 8288
Fax: (65) 6538 6166

Audit Partner-in-Charge

Mr. Andy Hoe Chi-Hsien
Appointed since financial year ended 2020

Principal Bankers

Oversea-Chinese Banking Corporation Limited
DBS Bank Limited
Bank of New Zealand Limited
RHB Bank Berhad

Investor Relations

Email: ir@hotelroyal.com.sg

Corporate Governance Report

The Board and management of Hotel Royal Limited firmly believe that the Group's unwavering commitment to the best practices of corporate governance is essential to its sustainability and performance in the long term. Driven by a strong sense of creating value and accountability towards its investors and stakeholders, Hotel Royal strives for corporate excellence as it focuses on developing and maintaining sound, transparent, consistent policies and practices. The Group is deeply committed to complying with the latest updated versions of Singapore's Code of Corporate Governance – both the letter and spirit of the Code, and to corporate transparency. In doing so, the Group strives to attain operational excellence and achieve long-term strategic objectives that drive sustainable growth and value creation for its shareholders.

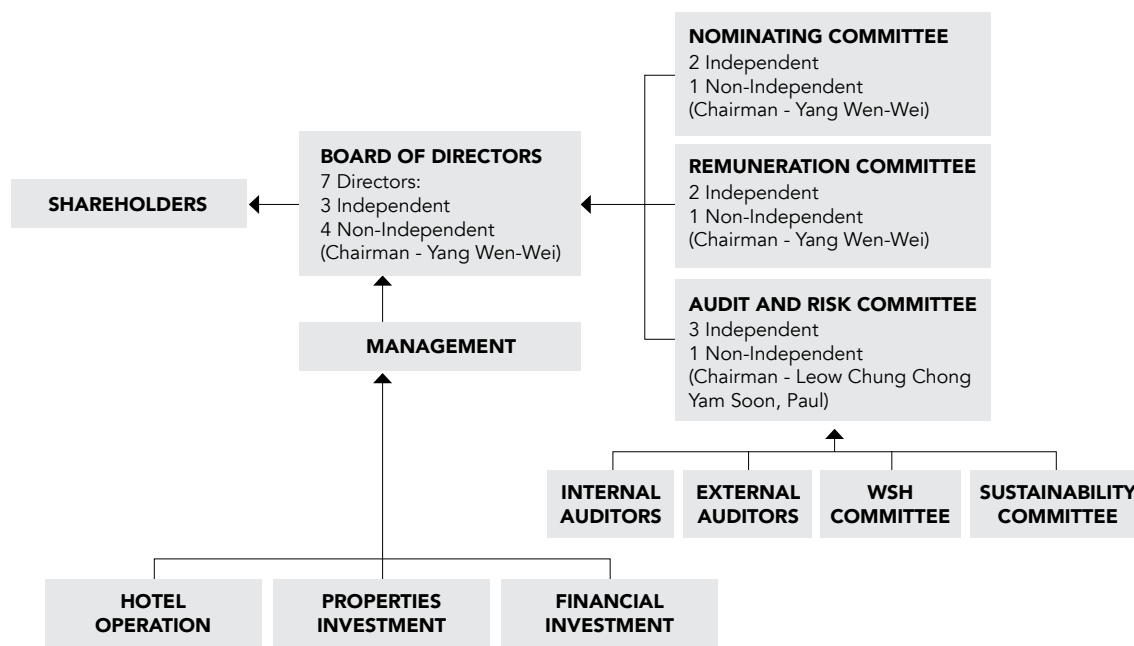
Corporate Governance Report

This report describes the Company's corporate governance framework and practices for the financial year ended 31 December 2024 ("FY2024") with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (the "Code"). For FY2024, the Company has complied with all the principles of the Code and

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

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

CORPORATE GOVERNANCE FRAMEWORK AS AT 31 DECEMBER 2024



I. BOARD MATTERS

THE BOARD'S CONDUCT OF ITS AFFAIRS

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

PROVISION 1.1

Principal Duties of the Board

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

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

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

- Considering sustainability issues including environmental, social and governance factors as part of its strategic formulation of the Group
- Approving the release of the Group's half yearly and full-year results and related party transactions of a material nature
- Taking on the responsibilities of corporate governance

Independent Judgement

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

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

Conflict of Interest

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

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

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

PROVISION 1.2

Board Orientation and Training

Director Orientation

A letter is sent to all new Directors upon their appointment, explaining, among other matters, their roles, obligations, duties and responsibilities as members of the Board. All new Directors go through an orientation programme where they are briefed by Senior Management concerning the Group's businesses and operations, its financial, accounting and risk management issues, code of corporate governance, policies on disclosure of interests in securities, the rules relating to disclosure of any conflict of interest in a transaction, its principal officers and independent auditors. During the year under review, Ms. Lim Siew Li joined the Group as a non-executive and independent director of the

Board and Audit & Risk Committee on 1 September 2024. She has completed all mandatory training as prescribed by SGX-ST.

Training

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

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

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

In FY2024, the Company's external auditors provided updates to the Audit & Risk Committee (ARC) on new and revised financial reporting standards that were applicable to the Company and Group. The Directors were also updated on sustainability matters such as Environment, Social and Governance ("ESG") and Task Force on Climate-Related Financial Disclosures ("TCFD") by external professionals.

In February 2024, the directors visited Hotel Royal Signature for its Grand Opening. This is the Group's maiden 5-star hotel property and the directors were given an extensive site visit to better appreciate the product and its offerings.

The Company has set aside funding for the training of its Directors.

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

Relevant new releases issued by the SGX-ST and ACRA as well as news articles that are relevant to the Group's business are regularly circulated to the Board.

Corporate Governance Report

PROVISION 1.3

Board Approval

Internal Limits of Authority

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

- The Group's strategic objectives
- Annual operating and capital expenditure budgets and any material changes to them
- Review of the Group's performance, strategic objectives and business plans
- Changes relating to the Group's capital structure including reduction of capital and share issue
- The Group's results announcements, annual reports and financial statements, including the corporate governance report
- Dividend policy and recommendation/declaration of dividends
- Significant changes in accounting policies or practices
- Maintenance of sound risk management and internal control systems
- Major capital projects
- Contracts regarding acquisitions or disposals of major fixed assets (including intangible assets such as intellectual property) and substantial bank borrowings
- Major investments and expenditure
- Resolutions and corresponding documentation to be put forward to shareholders at a general meeting including approval of all circulars and prospectuses
- Press releases concerning matters decided by the Board
- Changes to the structure, size and composition of the Board, including following recommendations from the Nominating Committee (NC) concerning appointment/cessation of Directors and members of Board Committees
- Determine the remuneration policy for Directors and other senior executives including the introduction of new share incentive plans or major changes to existing plans, to be put forward to shareholders for approval
- Establish board committees and approving their terms of reference and material changes
- Policies concerning code of conduct, share dealing code, whistle blowing policy, environment and sustainability policy and corporate social responsibility policy
- Any decisions likely to have a material impact on the Company or Group from any perspective, including, but not limited to, financial, operational, strategic or reputational
- Appointment and removal of Company Secretary.

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

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

PROVISION 1.4

Delegation by the Board

Board Committee

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

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

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

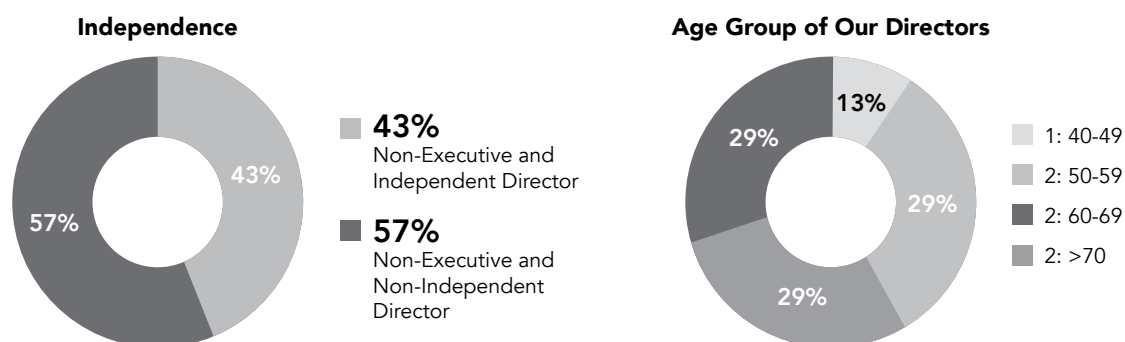
The minutes of Board Committee meetings, which records the key deliberations and decisions taken during these meetings, are circulated to all Board members for their information.

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

COMPOSITION OF BOARD AND BOARD COMMITTEES

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

* Ms. Lim Siew Li was appointed as an Independent Director and Member of the Audit and Risk Committee on 1 September 2024.



PROVISION 1.5

PROVISION 1.6

Board Meetings and Attendance

The attendance of the directors at scheduled Board and Board Committee Meeting during FY2024 is as follows:

Director	Board Meeting	Board Committee Meetings			Non-Executive Directors' Meeting (without presence of Management)	AGM
		Audit & Risk	Nominating	Remuneration		
Yang Wen-Wei	4	4	2	1	1	1
Leow Chung Chong Yam Soon, Paul	4	4	2	1	1	1
Lim Siew Li*	1	1	-	-	-	-
Lee Khin Tien	4	4	2	1	1	1
Lee Kin Hong	4	-	-	-	1	1
Dr. Lee Chu Muk	4	-	-	-	1	1
Lee Chou Hor George	4	-	-	-	1	1
Dr. Tan Kim Song [#]	1	1	1	1	1	-
No. of Meetings Held in FY2024	4	4	2	1	1	1

* Ms. Lim Siew Li was appointed as an Independent Director and Member of the Audit and Risk Committee on 1 September 2024. She has attended all the Audit & Risk Committee Meeting and Board of Director Meeting since appointment.

[#] Retired on 28 February 2024

Corporate Governance Report

Board Meetings

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

The schedule of all Board, Board Committee meetings and annual general meeting is disseminated to all Directors well in advance at the beginning of each financial year, in consultation with the Directors. The Board met on a quarterly basis in FY2024 to review inter alia the financial results and updates on the Company's and Group's developments.

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

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

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

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

Multiple Board Representations

Limit on Other Directorships in Listed Entities

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

Access to Information

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

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

Management keeps the Board informed of the Group's operations and performance through regular updates and reports as well as through informal discussion. Prior to any meetings of the Board or Board Committees, Directors are provided, where appropriate, with management information to enable them to participate at the meetings. The Chief Executive Officer ("CEO") of the Company is present at Board and Board Committee's meetings to address any queries which the Board may have. The CEO also provides update on business and strategic developments pertaining the Group's business to the Directors at each Board meeting during FY2024.

PROVISION 1.7

Access to Management and Company Secretary

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

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

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

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

Independent Professional Advice

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

BOARD COMPOSITION AND GUIDANCE

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

PROVISION 2.1

Board Independence

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

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

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

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

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

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

The Code states that the independence of any Director who has served on the Board beyond 9 years from the date of his first appointment should be subject to particularly rigorous review. As of 31 December 2024, there was no director who has served more than 9 years on the Board.

During FY2024, the Company complied with the relevant provisions of the Code and Listing Rules as there was a strong and independent element on the Board with an independent Chairman, more than one-third of the Board being Independent Directors and all the Directors are non-executive directors. The non-executive Directors contribute to the Board process by monitoring and reviewing Management's performance against goals and objectives. Their views and opinions provide alternative perspectives to the Group's business.

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

Corporate Governance Report

PROVISION 2.2

PROVISION 2.3

Proportion of non-executive independent directors

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

All the Directors are non-executive.

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

The Company has complied with the required provisions.

PROVISION 2.4

Board Composition

Board Size

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

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

Board Diversity

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

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

The Board acknowledges that gender diversity is one of the key recommendations under the Code and is committed to enhancing diversity within its leadership. In line with this commitment, the Board Diversity Policy has been updated to include measurable targets aimed at achieving greater diversity. In FY2024, the Group appointed a female director, Ms. Lim Siew Li, to the Board.

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

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

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

The shareholdings of the individual Directors of the Company are set on pages 126, 191 and 192 of this Annual Report. None of the Directors hold shares in the Company's subsidiaries.

PROVISION 2.5

Meeting of Independent Directors without Management

Independent Directors' Meetings

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

In FY2024, the Independent Directors, led by the Independent Chairman, met at least once without the presence of the Management to discuss about the performance of Management. They provided feedback to the Board after such meeting, as appropriate.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

PROVISION 3.1

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

Relationship Between Chairman and CEO

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

PROVISION 3.2

Role of Executive Chairman and CEO

Chairman’s Role

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

- Provides leadership to the Board to ensure its effectiveness
- Sets the agenda and ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues
- Promotes a culture of openness and discussion within the Board
- Encourages constructive relations between the Board and Management
- Exercises control over quality, quantity and timeliness of the flow of information between Management and the Board
- Ensures effective communication with stakeholders
- Facilitates the effective contributions of all Directors
- Promotes high standards of corporate governance with full support of the Board, the Management and the Company Secretary.

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

PROVISION 3.3

Appointment of Lead Independent Director

Role of the Lead Independent Director

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

For FY2024, the NC and the Board, having taken into consideration the Company’s current business operations and current Board size were of the view that the appointment of Lead Independent Director was not necessary.

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

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

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

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

BOARD MEMBERSHIP

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

PROVISION 4.1

PROVISION 4.2

NC Composition and Role

The Nominating Committee

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

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

The key terms of reference of the NC are to:

- Evaluate and review nominations for appointment and re-appointment to the Board and the various committees
- Nominate Directors for re-election at the AGM, having regard to the Director’s contribution and performance
- Determine the independence of Directors annually, and whenever appropriate

Corporate Governance Report

- Recommend to the Board the process for the evaluation of the performance of the Board, the Board Committees and individual Directors, and propose objective performance criteria to assess the effectiveness of the Board as a whole and the contribution of each Director
- Decide whether a Director who has multiple board representations is able to and has been adequately carrying out his duties as Director of the Company
- Review and make recommendations to the Board on the succession plans for Directors, in particular, the appointment and/or replacement of the Chairman, the CEO and key management personnel (KMP)
- Review training and professional development programs for the Board and its Directors
- Perform such other functions as may be assigned by the Board

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

PROVISION 4.3

Board Renewal & Succession Planning

Succession Planning:

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

The NC is responsible for identifying and recommending new members to the Board for approval, after considering the necessary and desirable competencies such as their integrity, skills, experience, financial literacy and diversity of expertise. Accordingly, in selecting potential new Directors, the NC will seek to identify the competencies required to enable the Board to fulfil its responsibilities. The NC may engage consultants to undertake research on, or assess, candidates for new positions on the Board, or to engage such other independent experts as it considers necessary to carry out its duties and responsibilities.

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

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

Process for Selection and Appointment of New Directors

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

their suitability, and make recommendations to the Board. Shortlisted candidates would meet up with the other Board members before the Board approves the appointment.

Process for Re-appointment of Directors

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

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

The NC has recommended to the Board that Mr. Yang Wen-Wei, Mr. Lee Khin Tien and Dr. Lee Chu Muk (retiring pursuant to Article 117), be subject to retirement by rotation pursuant to the Company's Constitution. Ms. Lim Siew Li who was appointed as Non-Executive and Independent Director to the Board on 1 September 2024, shall retire as a Director at the forthcoming AGM pursuant to Article 122 of the Company's Constitution. Being eligible, Mr. Yang Wen-Wei, Mr. Lee Khin Tien, Dr. Lee Chu Muk and Ms. Lim Siew Li have consented to continue in office and have offered themselves for re-election at the forthcoming AGM of the Company. Accordingly, the NC has recommended the aforesaid re-election of the Directors and the Board has accepted the NC's recommendation. In recommending the re-election of Mr. Yang Wen-Wei, Mr. Lee Khin Tien, Dr. Lee Chu Muk and Ms. Lim Siew Li, the NC has considered the Directors' overall contribution, attendance and participation at the Board and the Board Committee meetings. In addition, there is no relationships, including immediate family relationships, between Ms. Lim Siew Li and the other Directors, the Company, its related corporations, its substantial shareholders or officers which may affect his independence. The Board considers Ms. Lim Siew Li to be independent for the purpose of Rule 704(8) of the Listing Rules.

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

Please refer to details from pages 197 to 203 of this Annual Report.

Alternate Directors

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

PROVISION 4.4

Continuous Review of Directors' Independence

Annual Review of Directors' Independence: In recommending the above Directors for re-election, the NC has considered the results of the Board's assessment (please refer to paragraphs under Board Performance regarding assessment of Board performance) in respect of his competencies in fulfilling his responsibilities as Director of the Board. The NC has also reviewed the independence of Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon and Ms. Lim Siew Li. In assessing their independence, the NC, having considered the guidelines set out in the Code and the Guide, is of the view that Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon and Ms. Lim Siew Li are independent. There are no relationships identified in the Code and the Guide which would deem them not to be independent. Mr. Yang Wen-Wei, Mr. Leow Chung Chong Yam Soon and Ms. Lim Siew Li have also declared that they are independent.

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

Initial appointment and last Re-Election of Directors

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

Director	Position	Date of Initial Appointment	Date of Last Re-election / Re-appointment	Other principal commitments	Present directorships in other public listed companies	Past 5 years directorships in other public listed companies
Yang Wen-Wei	Independent Non-Executive Chairman	28 April 2018	30 April 2022	Executive Operating Officer of Merdeka Construction Company Pte. Ltd.	None	None
Leow Chung Chong Yam Soon Paul	Independent Non-Executive Director	1 May 2023	26 April 2024	Audit partner of Ecovis Assurance LLP	None	1. Fragrance Group Limited 2. Asian Healthcare Specialists Limited 3. No Signboard Holdings Ltd
Lim Siew Li	Independent Non-Executive Director	1 September 2024	-	None	1. RH Petrogas Limited	None
Lee Khin Tien	Non-Executive Director	31 December 1996	30 April 2022	Director of Aik Siew Tong Limited, Melodies Limited and The Singapore-Johore Express (Private) Limited	None	None
Lee Kin Hong	Non-Executive Director	21 June 2002	26 April 2024	Director of The Singapore-Johore Express (Private) Limited, Aik Siew Tong Limited and Melodies Limited	None	None

PROVISION 4.5

Directors' Time Commitments

To address competing time commitments when Directors serve on multiple boards, the Board had set a maximum limit of four directorships that directors may hold concurrently in listed companies for a director with full-time employment, and a maximum limit of six directorships in listed companies for a director with no full-time employment. During FY2024, none of the Directors held board seats in other listed companies, except for Ms. Lim Siew Li, who serves as an independent director of another public listed company.

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

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

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Director	Position	Date of Initial Appointment	Date of Last Re-election / Re-appointment	Other principal commitments	Present directorships in other public listed companies	Past 5 years directorships in other public listed companies
Dr. Lee Chu Muk	Non-Executive Director	27 April 2019	28 April 2023	General Practitioner of Singapura Clinic	None	None
Lee Chou Hor George	Non-Executive Director	29 June 2020	26 April 2024	Director of Hock Tart Pte Ltd, Aik Siew Tong Limited, Melodies Limited and The Singapore-Johore Express (Private) Limited	None	None

Number of Meetings: The NC held two meetings during FY2024. The NC has ad-hoc meetings on matters requiring urgent attention, which would then be formally confirmed and approved by circulating resolutions in writing.

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

BOARD PERFORMANCE

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

PROVISION 5.1

PROVISION 5.2

Board Evaluation Process

We believe that the Board's performance is ultimately reflected in the long-term success of the Group.

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

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

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

The Board did not engage any independent external consultant to facilitate the annual review of the performance of the Board, the Board Committees and the individual Directors for FY2024. However, the NC and the Board are open to the idea should such a need arises to enhance or enliven the Board's performance evaluation process.

Board and Board Committees Evaluation Criteria

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

The evaluation criteria for Board Committee takes into account factors and criteria deliberated and discussed at NC in FY2024 which included, among others, the composition of the Board Committee, the provision of information, committee procedures as well as criteria that were specific to each Board Committee. The NC made its recommendations to and shared its conclusions with the Board.

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

Individual Director Evaluation

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

The Board was satisfied with results of the annual evaluation of the performance of the Board, its Board Committees and individual Directors' assessment for FY2024.

Renewal & Replacement of Board Members

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

After the NC's review of the contribution by each individual Director to the effectiveness of the Board as a whole and its Board Committees for FY2024, the Board is satisfied that sufficient time and attention have been given by the Directors to the affairs of the Company and the Group.

II. REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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

PROVISION 6.1

PROVISION 6.2

RC Composition and Role

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

RC Composition

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

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

The key terms of reference of the RC are to:

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

Number of Meetings

The RC held one meeting during FY2024.

PROVISION 6.3

PROVISION 6.4

Remuneration Framework

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

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

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

The RC has access to appropriate expert advice inside and/or outside the Company on human resources and remuneration matters of Directors and key management personnel wherever there is a need to consult externally. In FY2024, the RC has not consulted any external remuneration consultant.

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

LEVEL AND MIX OF REMUNERATION

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

The RC reviews annually and makes recommendation on the remuneration of the Directors and key management personnel to ensure that the level and structure of

remuneration is aligned with the long-term interest and risk policies of the Company and appropriate to attract, retain and motivate (a) the Directors to provide good stewardship of the Company and (b) key management personnel to successfully manage the Company.

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

PROVISION 7.1

PROVISION 7.2

PROVISION 7.3

Remuneration of Non-Executive Directors and KMPs

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

All the Directors are non-executive.

The fees paid to the Directors are based on a pro rata basis according to the service period during the year. The Chairman of the Board will receive an additional allowance that is equivalent to 100% (FY2024: 100%) of his Director's fee. The Chairman of each sub-committee will receive an additional allowance that is 100% of his Director's fee. The Directors' fees are recommended by the Board for approval at the Company's Annual General Meeting. Save for the Directors' fees, the Independent Directors do not receive any other form of remuneration from the Company. The Independent Directors do not have any service agreements with the Company.

The RC is of the view that the remuneration policy and amounts paid to Directors and key management personnel are adequate and in line with present market conditions. The Independent Directors are not compensated to the extent that their independence may be compromised.

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

- 1. Base or fixed remuneration**
This element reflects the scope of the job and the level of skill and experience of the individuals.
- 2. Variable for performance related income/bonuses**
This is paid depending on the contribution of the key management personnel of the Company and its subsidiaries. It usually takes the form of an end of the year ex-gratia payment to deserving employees who have gone the extra mile to grow the revenue, service level and financial performance of the Company and Group.
- 3. Benefits**
These benefits are mainly meals in the hotel and car benefits.
- 4. Directors' Fee**
Some of the key management personnel are Directors of subsidiaries and receive Directors' fees from the subsidiaries.

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

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

- (a) The Directors do not receive any variable incentive-based Directors’ fee
- (b) The form of an ex-gratia payment at the end of the year forms a small portion of key management personnel’s total remuneration

PROVISION 8.1

PROVISION 8.2

PROVISION 8.3

The breakdown of remuneration of the Directors of the Company for FY2024 is as follows:

**Annual Remuneration Report Remuneration of Directors for FY2024
(in \$)**

Name of Director	Director’s Fee		Total
	Company ^(a)	Subsidiaries	
Yang Wen-Wei	70,000	-	70,000
Leow Chung Chong Yam Soon	40,000	-	40,000
Lim Siew Li*	9,833	-	9,833
Lee Khin Tien	35,500	20,000	55,500
Lee Kin Hong	25,000	15,400	40,400
Dr. Lee Chu Muk	25,000	-	25,000
Lee Chou Hor George	25,000	14,800	39,800
Dr. Tan Kim Song [#]	9,500	-	9,500
Total	239,833	50,200	290,033

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

* Appointed on 1 September 2024

[#] Retired on 28 February 2024

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

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

DISCLOSURE ON REMUNERATION

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

Corporate Governance Report

Remuneration of Chief Executive Officer for FY2024 (in \$)

Name of CEO	Fixed Remuneration	Variable Bonus	Benefits*	Subsidiaries' Director Fee	Central Provident Fund	Total Remuneration
Lee Chou Hock	359,510	25,371	13,985	20,000	7,957	426,823

* Benefits for Mr. Lee Chou Hock were for duty meal and car benefits.

Remuneration of Top 5 Management Personnel including KMP of the Group for FY2024 (in \$)

Name of Key Executive	Designation	Fixed Remuneration	Variable Bonus	Benefits*	Subsidiaries' Director Fee	Central Provident Fund	Total Remuneration
Teow Seok Boey	Chief Financial Officer	191,512	16,302	1,030	-	16,644	225,488
Lee Chu Bing®	Director of Operations	141,589	18,338	9,004	3,600	15,828	188,359
Lee Zongye Zach	Deputy Chief Executive Officer	138,177	23,111	9,344	600	17,341	188,573
Lee Si Min	Country General Manager (Singapore)	110,436	9,388	111	-	15,749	135,684
Wong Siew Choo	Revenue Controller	102,932	8,826	3,046	-	7,430	122,234

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

* Benefits for Mr. Lee Chu Bing and Mr. Lee Zongye Zach were mainly for duty meal and car benefits. Benefit for Ms. Teow Seok Boey, Ms. Lee Si Min & Mrs. Wong Siew Choo was for duty meal.

® Lee Chu Bing has resigned as of 2 October 2024.

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

Mr. Lee Chu Bing is the brother of Dr. Lee Chu Muk and the cousin of Mr. Lee Chou Hock (CEO) and Mr. Lee Chou Hor George. He is the nephew of Mr. Lee Khin Tien and Mr. Lee Kin Hong.

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

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

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

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

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

Directors' Fees

The RC recommended to the Board an amount of \$239,833 as Directors' fees for the financial year ended 31 December 2024. The recommended directors' fees have been endorsed by the Board and will be tabled at the forthcoming AGM for shareholders' approval. No Director is involved in deciding his own remunerations.

III. ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

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

PROVISION 9.1

Nature and Extent of Risks

The Board as a whole is responsible for risk governance. Its duties are to:

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

A summary of the Group's Risk Management is included in Pages 105 to 110 in this Annual Report.

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

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

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

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

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

Based on the Company's internal controls, work performed by the internal and external auditors, and reviews performed by Management, various Board Committees and the Board, the Board with the concurrence of the ARC is of the opinion that the Company's internal controls, addressing financial, operational, compliance and information technology controls and risk management systems, were adequate and effective as of 31 December 2024.

In assessing the need to establish a separate risk committee to assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies, the Board after having discussed with the members of the ARC and the Board members, resolved that the function of the risk committee is best carried out by the ARC and in this connection in line with its enhanced role the Audit Committee has been renamed ARC in FY 2013.

PROVISION 9.2

Assurance from the CEO and CFO

For FY2024, the Board and the ARC have received assurance from the CEO and CFO that:

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

Corporate Governance Report

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

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

AUDIT COMMITTEE

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

PROVISION 10.1

PROVISION 10.2

AC Composition and Role

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

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

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

Number of Meetings

The ARC held four meetings during FY2024.

Key Terms of Reference and Activities

During FY2024, the ARC has performed its duties as guided by its key terms of reference which stipulate its principal functions.

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

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

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

Access to Information

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

Whistle-blowing Policy

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

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

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

The whistle-blowing policy is reviewed by the ARC periodically to assess the effectiveness of the processes in place and to ensure that the said policy is updated to take into account any related changes in legal and regulatory requirements. The ARC concluded that there is no significant matter raised through the whistle-blowing channel during FY2024.

PROVISION 10.3

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

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

PROVISION 10.4

Financial Reporting Matters

Financial Reporting and Key Audit Matter

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

Following discussions with the external auditors, the ARC and the external auditors have determined that the valuation of the Group's freehold land on which the hotels are sited and investment properties are key audit matters for FY2024.

Corporate Governance Report

Key Audit Matter	ARC's Comment on Key Audit Matter
<p>Valuation of properties – Freehold land and investment properties (Notes 13 and 14 to the financial statements)</p> <p>The Group's freehold land on which its hotels are sited and investment properties are stated at their fair values based on independent external valuations. As at 31 December 2024, the Group's freehold land and investment properties amounted to \$536.18 million and \$130.42 million respectively, and these assets accounted for approximately 60% and 15% of total assets respectively.</p> <p>The valuation process for these freehold land and investment properties involves determining the valuation methodology to be used, and significant judgement in estimating the underlying assumptions to be applied. Depending on the valuation methodology and property type, the key estimation inputs include values per square metre referenced to comparable properties, occupancy rates, revenue per room, capitalisation rate, discount rate, and contract rate per room of comparable properties. A small change in key inputs may have a significant impact on the valuation of each of the properties.</p>	<p>For FY2024, the Group recognised in other comprehensive income (page 135 of this Annual Report) net valuation gain of \$18.93 million for freehold land on which the hotels are sited. The freehold land amounting to \$536.18 million, accounted for 60% of total assets at 31 December 2024.</p> <p>The Group recognised a net fair value gain on investment properties of \$0.66 million in the profit or loss for FY2024. The investment properties amounting to \$130.42 million, accounted for 15% of total assets at 31 December 2024.</p> <p>The valuations for freehold land and investment properties involved significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. A small change in the key inputs may have a significant impact on the valuation of each of the properties.</p> <p>The Group engaged reputable valuers with the necessary qualifications, competence and independence.</p> <p>In order to be satisfied that the valuations of freehold land and investment properties were not materially misstated, the ARC reviewed the qualifications and competence of the valuers, and the various valuation methods, assumptions and inputs used with Management.</p> <p>The ARC also obtained an understanding on the work performed by the external auditors, including their assessment of the appropriateness of the various valuation methodologies and relevance of the assumptions and inputs.</p> <p>Following these discussions, ARC noted that the engagement of the external independent and experienced valuers; the valuation methods, assumptions and inputs used; explanations given by Management and the work performed by the auditors provided a reasonable basis for the valuation of the freehold land and investment properties as of 31 December 2024. The ARC considered the comments of the Independent Auditors' Report and the disclosures in Notes 13 and 14 to the financial statements. These were consistent with the results of the above discussions.</p>

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

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

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

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

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

The Internal Auditors report directly to the ARC.

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

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

The Board, with the concurrence of the ARC, is of the view that the Group's internal control systems, particularly its financial, operational, compliance, information technology controls and risk management systems, are adequate and effective as of 31 December 2024.

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

At least once a year, the ARC meets with the internal auditors and external auditors separately. In FY2024, it met without the presence of the Management to review any matter that might be raised. Both the external and internal auditors report directly to the ARC their findings and recommendations.

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

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

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

For FY2024, the Group incurred an aggregate of \$545,000 to the external auditors, of which was \$475,000 was for audit services and \$70,000 was for non-audit services.

PROVISION 10.5

Meeting Auditors without the Management

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

Corporate Governance Report

IV. SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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

PROVISION 11.1

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

Conduct of General Meetings

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

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

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

Last AGM on 26 April 2024

The last AGM of the Company was physically held at Hotel Royal, Level 3, Royal Room 1, 36 Newton Road, Singapore 307964 on Friday, 26 April 2024.

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

Forthcoming AGM on 25 April 2025 ("AGM 2024")

The forthcoming AGM will be held, in a wholly physical format, at Hotel Royal, Level 3, Royal Room 1, 36 Newton Road, Singapore 307964 on Friday, 25 April 2025. There will be no option for shareholders to participate virtually.

PROVISION 11.2

Separate Resolutions

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

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

Investor Relations

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

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

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

PROVISION 11.3

Interaction with Shareholders

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

All Directors and the external auditors were present at the last AGM held on 26 April 2024.

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

PROVISION 11.4

Shareholders' Participation

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

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

PROVISION 11.5

Minutes of General Meetings

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

PROVISION 11.6

Dividend Policy

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

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

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

A first and final dividend of 2.7 cents per ordinary share one-tier tax exempt for FY2024 have been proposed for shareholders' approval at the forthcoming AGM on 25 April 2025.

Corporate Governance Report

ENGAGEMENT WITH SHAREHOLDERS

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

PROVISION 12.1

PROVISION 12.2

PROVISION 12.3

Disclosure of information on a timely basis

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

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

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

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

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

V. MANAGING STAKEHOLDERS' RELATIONSHIPS

Engagement with Stakeholders

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

PROVISION 13.1

PROVISION 13.2

Stakeholders' Engagement

The Company identifies stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include hotel guests, employees, contractors, suppliers, government, regulators, community, shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders. For more information on the Company's stakeholder engagement, please refer to the Company's Sustainability Report set out on pages 38 to 79 of this Annual Report.

PROVISION 13.3

Corporate Website

The Company adopts transparent, accountable and effective communication practices and to ensure fair dissemination to shareholders, all materials such as half-year and full-year financial results, annual reports, announcements and minutes of general meetings are available on the Company's website (www.hotelroyal.com.sg). The website also contains other useful investor-related information.

For ease of communication, shareholders can contact Management via ir@hotelroyal.com.sg. This will allow the Board and Management to gather shareholders' views and inputs, and address shareholders' concern. The contact details of the investor relations function are also set out in the inside cover page of this Annual Report as well as on the Company's website. The Company have procedures in place for responding to investors' queries.

VI. OTHER CORPORATE GOVERNANCE MATTERS

DEALING IN SECURITIES

- Listing Manual Rule 1207(19)

The Group has adopted an internal code on dealings with securities which, amongst others, prohibits the directors and key management personnel of the Group from dealing in the Company's shares one month immediately preceding the announcement of the Company's half-year and full-year results respectively or upon possession of unpublished price-sensitive information on the Group. In addition, Directors and key executives are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. They are also not allowed to deal in the Company's shares on short-term considerations. Directors are required to notify the Company their securities dealings within two (2) business days of such dealings and the Company shall disseminate the notifications received to the market via SGXNet within one (1) business day of receiving such notifications.

In view of the processes in place, in the opinion of the Board, the Company has complied with Rule 1207(19) of the Listing Manual of SGX-ST on dealing in securities.

MATERIAL CONTRACTS

- Listing Manual Rule 1207(8)

There was no material contracts entered into by the Company or any of its subsidiaries involving the interests of the CEO, any Director or controlling shareholder during the year under review or have been entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

- Listing Manual Rule 907

The Company has established procedures to ensure that all transactions with interested persons are properly documented and reported in a timely manner to the ARC and that transactions are conducted on an arm's length basis and are not prejudicial to the interests of the Company and its non-controlling shareholders.

The Board ensures that all disclosure, approval and other requirements on interested person transactions, including those required by prevailing legislation, the Listing Manual and accounting standards are complied with.

There was no material contracts entered into by the Company and Group involving the interests of any Director or controlling shareholder, either still subsisting at the end of FY2024 or if not then subsisting, entered into since the end of the previous financial year.

The Company's disclosure in related party transactions for FY2024 are set out on page 163 of this Annual Report. There were no transactions in excess of \$100,000 per transaction entered into by the Company and Group for the year under review or have been entered into since the end of the previous financial year.

When a potential conflict arises, the concerned parties do not participate in its deliberation so as to refrain from exercising any influence over other members of the Board.

CODE OF CONDUCT AND ETHICS FOR EMPLOYEES

The Group has a Code of Conduct and Ethics for Employees that sets the standards and ethical conducts expected of all employees. This code covers workplace conduct, protection of the Group's assets, information confidentiality, conflict of interests, business conduct, gratuities or bribes and dishonest behaviour.

All employees are expected to maintain a high standard of personal integrity and compliance to Company policies and with the laws and regulations of the countries in which it operates.

USE OF RIGHTS ISSUE PROCEEDS

As at the date of this report, the status of the utilisation of the proceeds raised from the Company's Renounceable Non-Underwritten Rights Issue are as follows:

	\$'million
Total rights issue proceeds, net	40.2
Less: Utilisation as reported previously in FY2023	(37.2)
Balance unutilised as of 31 December 2023	3.0
Less: Utilisation in 1H 2024	(3.0)
Balance unutilised as of 31 December 2024	-

Balance as at 31 December 2023 was \$3.0 million.

During 2024, an amount of \$3.0 million was utilised for the upgrading of Hotel Royal Signature in Kuala Lumpur, Malaysia. Right issue proceeds had been fully utilised as at 31 December 2024.

Risk Management

Risk management is an important part of Hotel Royal's business management. Our risk and control system aims to provide reasonable confidence that we'll achieve our business goals. This is done by integrating management controls into daily operations to ensure efficiency, effectiveness, and asset protection, while also complying with laws and regulations, and maintaining accurate financial reporting. Management is responsible for identifying key risks and creating and implementing appropriate risk management procedures. These procedures are regularly reviewed and updated to reflect changes in the market and our business activities.

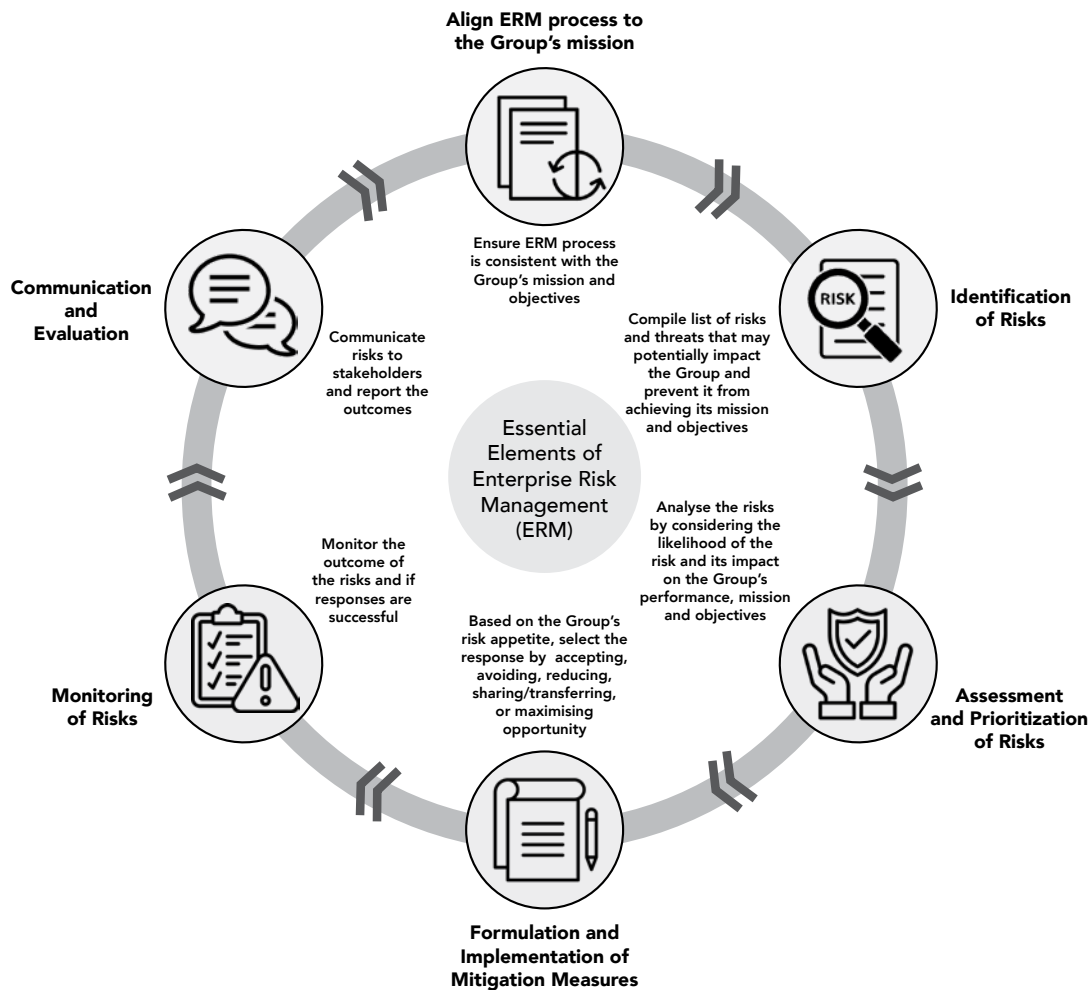
The Group's risk and control framework seeks to provide reasonable checks and balances in the pursuit of our strategic business objectives, namely:

- 1) To maintain capital adequacy
- 2) To deliver stable earnings growth
- 3) To ensure stable and efficient access to funding and liquidity
- 4) To maintain stakeholder confidence.

Our six-steps risk management process includes identifying risks, evaluating them, developing ways to reduce their impact, communicating and implementing those solutions, and then continuously monitoring and reviewing the process. This process considers both how likely a risk is to occur and how significant its impact could be. The six-steps risk management process has a feedback loop and is comprised of:

- a) Identification of Risks
- b) Assessment & Prioritization of Risks
- c) Formulation and Implementation of Mitigation Measures
- d) Monitoring of Implemented Measures & Risk Development
- e) Communication and Evaluation
- f) Re-aligning of Risk Management if necessary

The following describes the Group's major risk factors and how these are mitigated. In the year under review, we were satisfied that there were no risks that could affect the ability of the Group to continue as a going concern in the next twelve months.



BUSINESS AND STRATEGY RISKS

Business and strategy risks refer to factors affecting businesses such as customer demand, sales performance, macroeconomic conditions, competition, and regulatory environment. They are usually managed by the respective hotels and subsidiaries within the Group in their pursuit of growth and earnings targets.

DESCRIPTION OF RISK WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Strategy and investment risk</p> <ul style="list-style-type: none"> The Group is exposed to risks in Capital Expenditure projects, including potential hotel renovations, expansions, and/or redevelopments. The investment time frame and the budgets for such expansion plans may be exceeded and that the set parameters may not be achieved. 	<ul style="list-style-type: none"> All new investment proposals are evaluated thoroughly and, where necessary, are supported by the advice of external professionals to ensure that they are in line with the Group's strategic focus and that they meet the relevant rate of financial returns. Other non-financial risk factors are also considered. All new investment proposals are reviewed by the senior management and discussed in detail at the Board meetings. They are monitored to ensure that they can meet the Group's strategic intent, investment objectives and returns. They are monitored to ensure that any financing stress is within the capabilities of the Group to handle.
<p>Market and political risk</p> <ul style="list-style-type: none"> The Group currently operates in Singapore, Malaysia, Thailand and New Zealand. The subsidiaries in these countries are exposed to changes in government policies and regulations. Some of these changes may affect the realisation of business opportunities and investments in those countries. Global economic uncertainties, such as trade wars and recession, will affect the Singapore economy and hence the Group's performance. 	<ul style="list-style-type: none"> The Group monitors the market and political landscape in these countries, so that the Group is better able to anticipate and/or respond to any adverse changes in a timely manner. Impact brought about by the trade war between the United States and China, can have a consequential impact on tourist arrivals into countries where the Group's hotels operate. While the consequences of such conflicts and other security events, including terrorist attacks, are difficult to predict, the Group continues to monitor developments around the world to anticipate and take necessary preventive measures to minimise any adverse impact, where possible. As of 31 December 2024, approximately 39% of the Group's assets are located overseas, accounting for about 53% of the total revenue in FY2024. It has greater geographical diversification which reduces its risk of single market concentration.
<p>Regulatory risk</p> <ul style="list-style-type: none"> The Group is subject to changes in prevailing laws and regulations (such as in corporate, competition and environment laws) in the countries where it operates. 	<ul style="list-style-type: none"> The Group works closely with local authorities and business partners to keep abreast with any changes and/or material regulatory developments. Foreign subsidiaries will inform the Group's head office of any material regulatory development in a timely manner.

Risk Management

DESCRIPTION OF RISK WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Competition risk</p> <ul style="list-style-type: none"> The hospitality business in Singapore, Malaysia and Thailand is highly competitive. Any increase in new room inventory in these markets can lead to downward pressure on room rates, particularly on older or existing properties. 	<ul style="list-style-type: none"> The Group strives to maintain competitiveness through product differentiation and leveraging on its brand name to protect and gain market share. The Group invests in long-term relationships with its strategic partners to improve its service and product quality and secure customer loyalty.
<p>Reputation risk</p> <ul style="list-style-type: none"> The Group may face negative publicity or diminution in public confidence if there is any mishandling of transaction or event. 	<ul style="list-style-type: none"> The Group believes in giving a fair deal to its stakeholders and has put in place an open program to achieve effective and timely communication with its key stakeholders. Its corporate vision, mission statement and core values are communicated to all employees within the Group.
<p>Business continuity risk</p> <ul style="list-style-type: none"> Unforeseen circumstances (including internal and external threats) such as fire, flood, and terrorism attacks, can disrupt the continuation of its business operations. 	<ul style="list-style-type: none"> The Group reviews its crisis management and communications procedures regularly, so as to ensure that it can continue to maintain its business operations and expedite recovery.
<p>Spread of contagious diseases</p> <ul style="list-style-type: none"> The outbreak of contagious diseases, such as SARS and COVID-19 will have adverse effects on tourist arrivals. 	<ul style="list-style-type: none"> Since the onset of the pandemic, the Group has prioritised the safety of its employees and implemented workforce separation aligned with social distancing and business continuity measures. We continue to adapt our safety and health protocols in response to the evolving situation and government regulations. The Group diversifies its business sources so that if one source is affected, the other sources can help to make up for the shortfall. The Group has sufficient financial resources to tide through economic downturns caused by such outbreaks.

OPERATIONAL RISKS

Operational risks refer to people, processes, products, information technology and practices in the business activities which may not operate as designed or planned.

DESCRIPTION OF RISK WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Operational processes risk</p> <ul style="list-style-type: none"> • Possible breakdown in internal process, deficiencies in people and management, or operational failure arising from changes to management personnel can result in potential loss to the Group. 	<ul style="list-style-type: none"> • Minimise unexpected losses and manage expected losses through a series of quality and people management programs, as well as through business continuity planning. • Operating manuals, standard operating procedures and the delegation of authority matrix are in place. • On-going efforts to streamline business processes and adopt ISO standards and certifications to achieve standardisation of processes and best practices. • Conduct regular reviews of policies and authority limits to ensure its relevance in meeting a changing business environment.
<p>People risk</p> <ul style="list-style-type: none"> • The Group depends on quality service provided by good personnel and service providers to achieve profitability and growth. • The execution of succession planning is a challenge, given the size of the Group. 	<ul style="list-style-type: none"> • The Group provides a cohesive environment where employees are developed to their fullest potential and enjoy work-life balanced career paths. This ensures that our human capital is continually nurtured and retained. • The Group continues to invest in upskilling our existing workforce. Regular skills assessments are also conducted to set out structured developmental roadmaps to fill new and emerging skill gaps. • Staff who perform well are attractively rewarded and groomed for higher roles.
<p>Climate change and environmental risk</p> <ul style="list-style-type: none"> • Climate change and environmental risk is a growing concern. Rising sea level is a potential threat to our hotels that are situated in low lying areas. • Regulatory risks associated with climate change which can be in the form of stricter greenhouse gas emission standards, carbon taxes, or changes in energy prices. • Growing expectations from stakeholders who want to ensure the Group's services are transitioning to low emissions. 	<ul style="list-style-type: none"> • The Group adopts environmentally-friendly practices and benchmarks against the best practices. • Monitoring of rising sea levels and their effect on our properties. • The Group is actively prioritizing climate and environmental risk management not only with respect to present-day operation but also its impact of future revenue streams and operating costs.

Risk Management

FINANCIAL RISKS

Financial risks arise from volatility in the underlying financial market and include factors such as fluctuations in interest rates, foreign exchange and equity prices.

DESCRIPTION OF RISK WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Credit risk</p> <ul style="list-style-type: none"> The Group's credit risk is primarily attributable to its cash and bank balances, trade and other receivables. Cash and fixed deposits (Note 6 to the financial statements) are in the custody of creditworthy financial institutions. Trade receivables are largely from credit card companies, tour agencies, regular corporate clients, hotels and tenants at the Group's properties. The Group may suffer potential financial loss resulting from the failure of customers or counterparties to settle their financial and contractual obligations as and when they fall due. 	<ul style="list-style-type: none"> Standard procedures are in place which include the application of credit approvals, performing credit evaluations, setting credit limits and regular monitoring of credit risks. Cash terms or advance payments are required for customers with lower credit standing. There is no significant concentration of credit risk to a single customer. It is the Group's policy to sell to a diversity of creditworthy customers to reduce concentration of credit risk. While the Group faces the normal business risks associated with ageing collections, it has adopted a prudent accounting policy of making provisions once trade receivables are deemed not collectible. Major collectible issues are highlighted to all concerned.
<p>Interest rate risk</p> <ul style="list-style-type: none"> The Group is exposed to interest rate risks through the impact of rate changes on interest-bearing liabilities and assets. 	<ul style="list-style-type: none"> The Group actively monitors interest rate fluctuations and trends. The Group borrows in local currencies and practices natural hedging as it receives its revenue in local currencies.
<p>Foreign exchange risk</p> <ul style="list-style-type: none"> The Group has investments in funds under management of certain banks and cash deposits which are exposed to foreign exchange risk arising from the exchange rate movements of foreign currencies. Exchange gain or loss may also arise when the assets and liabilities in foreign currencies are translated into Singapore dollars for financial reporting purposes. For FY2024, approximately 20% (2023: 19%) of the Group's net assets was denominated in Malaysian ringgit, and approximately 8% (2023: 9%) and 11% (2023: 10%) were denominated in New Zealand dollars and Thai baht respectively. 	<ul style="list-style-type: none"> Continuous monitoring of the exchange rates of major currencies. Currency translation risk, which is inherent for operations outside Singapore, is non-cash in nature and therefore not hedged.
<p>Price Risk</p> <ul style="list-style-type: none"> The Group is exposed to price risks arising from its investments classified as fair value through profit or loss and fair value through other comprehensive income. These investments include equity shares and instruments, whose fair values are subject to volatility in equity and bond prices. 	<ul style="list-style-type: none"> Diversify the investment portfolio to manage risks.

DESCRIPTION OF RISK WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Liquidity risk</p> <ul style="list-style-type: none"> Liquidity risk reflects the risk that the Group will have insufficient resources to meet its financial liabilities as they fall due. 	<ul style="list-style-type: none"> Monitor working capital requirements and maintain a level of cash and cash equivalents deemed adequate to mitigate the effects of fluctuations in cash flows, as well as to ensure that the Group has sufficient funds to meet its contractual and financial obligations as and when they fall due. Management assesses the availability of credit facilities and compliance with loan covenants on an on-going basis and no matters have been drawn to its attention that the roll-over of the short-term financing may not be forthcoming or that covenants have been breached. The Group and the Company have unutilised credit facilities totalling \$147.4 million (2023: \$153.5 million) and \$91.5 million (2023: \$100.5 million) respectively. From time to time, management evaluates the tenure of credit facilities including the need for longer term credit facilities. Enhance ability to generate cash from operating activities to improve the Group's cash position and reduce liquidity risk.
<p>Capital structure risk</p> <ul style="list-style-type: none"> Inefficient capital structure could impact the Group's ability to provide appropriate returns to the shareholders. 	<ul style="list-style-type: none"> The Group manages its capital to ensure that entities in the Group will be able to continue as ongoing concerns, while optimizing return to shareholders through a mix of equity, short-term, and long-term debts. The capital structure of the Group consists of equity comprising share capital disclosed in Note 20 reserves and retained earnings, and debts which comprise bank borrowings and leases disclosed in Note 15, 18 and 32 to the financial statements. Regular reviews are performed to ensure that the capital structure is optimal. Taken into consideration are future capital requirements and capital efficiency, prevailing operating cash flow and profitability, as well as projected capital expenditure. To maintain or achieve an optimal capital structure, the Group may issue new shares, obtain new bank borrowings, sell assets to reduce external borrowings, pay or adjust the amount of dividend payout, or return capital to shareholders.
<p>Financial management risk</p> <ul style="list-style-type: none"> Rely on self-assessment, review, and reporting processes to ensure that transactions are carried out in conformity with accounting standards and the Group's accounting policies, and that the internal controls are adequate and effective. The system may not prevent or detect all frauds or misstatements in a timely manner, especially with changes in conditions and operations which may cause the effectiveness of the system to vary from time to time. 	<ul style="list-style-type: none"> Formalised operating manuals and standard operating procedures. Internal controls on financial reporting are reviewed regularly to ensure proper financial discipline and compliance with established Group policies and guidelines. External and internal audit reviews carried out annually on the controls and procedures in place also serve as platforms to highlight any irregularities.

Risk Management

DESCRIPTION OF RISK WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Derivative financial instrument risk</p> <ul style="list-style-type: none"> Market conditions may move against the Group's assumptions at the time of hedging the transactions. 	<ul style="list-style-type: none"> The Group does not hold or issue derivative financial instruments for trading purposes.

COMPLIANCE RISKS

Compliance risks are the current and prospective risks arising from violation of, or non-conformance with laws, rules, regulations or ethical standards.

DESCRIPTION OF RISK WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Compliance risk</p> <ul style="list-style-type: none"> Rapid changes in laws, regulations and practices are making compliance more complicated. This is especially so as the Group also operates overseas. Deliberate wrongful acts, such as fraud, can result in financial loss. 	<ul style="list-style-type: none"> Risk management, internal controls and corporate governance frameworks are in place and reviewed on an annual basis. Whistle-blowing policy has been in practice for some time. External auditors are engaged for statutory audits and internal auditors are engaged to conduct financial and operations reviews. Both external and internal auditors report directly to the Audit Committee.

INFORMATION TECHNOLOGY RISKS

Information technology (IT) risks include hardware and software failure, human error, spam, viruses and malicious attacks, as well as natural disasters such as fire, storms or floods.

DESCRIPTION OF RISK WE FACE	WHAT WE DO TO MITIGATE THE RISKS
<p>Cyber security risk</p> <ul style="list-style-type: none"> The Group's operations are exposed to a full range of risks, presented in various forms that are associated with its IT system. This includes disruptions to the network. Increasing global incidence of cyberattacks on company servers and websites demonstrates the need to reinforce and tighten the security of the Group's IT systems and avoid breaches. Cyberattacks can disrupt operations. The theft of sensitive and confidential information can lead to litigations and financial losses. 	<ul style="list-style-type: none"> Adopt necessary and current IT controls and governance practices, including the strengthening of network security, such as regularly updating security patches to the system. Put in place appropriate measures to safeguard the loss of information, data security, and ensure the continuity of the Group's business activities and its prompt recovery from an IT crisis. Conduct regular training for users to heighten awareness of IT threats.

Financial Statements

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- 134** Consolidated Statement of Profit or Loss and
Other Comprehensive Income
- 136** Statements of Changes in Equity
- 138** Consolidated Statement of Cash Flows
- 139** Notes to Financial Statements

Directors' Statement

The directors present their statement together with the audited consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2024.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 132 to 190 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Yang Wen-Wei
Leow Chung Chong Yam Soon
Lim Siew Li (Appointed on 1 September 2024)
Lee Khin Tien
Lee Kin Hong
Dr Lee Chu Muk
Lee Chou Hor George

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 except as follows:

Name of directors and company in which interests are held	Shareholdings registered in name of directors		Shareholdings in which directors are deemed to have an interest	
	At beginning of year	At end of year	At beginning of year	At end of year
The Company	Ordinary shares		Ordinary shares	
Lee Khin Tien	727,063	727,063	-	-
Lee Kin Hong	499,658	499,658	483,840	483,840
Lee Chou Hor George	42,000	42,000	12,993,680	12,993,680

The directors' interests as disclosed above remained unchanged at 21 January 2025.

4 SHARE OPTIONS

(a) Options to take up unissued shares

During the financial year, no option to take up unissued shares of the Company or any corporation in the Group were granted.

4 SHARE OPTIONS (cont'd)

(b) **Options exercised**

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) **Unissued shares under option**

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

5 AUDIT AND RISK COMMITTEE

Members of the Audit and Risk Committee comprise the following directors, namely Dr Tan Kim Song (Chairman of the Audit and Risk Committee), Mr Leow Chung Chong Yam Soon, Mr Yang Wen-Wei, Mr Lee Khin Tien and Ms. Lim Siew Li. Dr Tan Kim Song retired on 28 February 2024 and Mr Leow Chung Chong Yam Soon was appointed as the Chairman of the Audit and Risk Committee with effect from 28 February 2024.

The Audit and Risk Committee ("ARC") held four meetings during the financial year ended 31 December 2024 and performed the following functions:

- (a) Review with external/internal auditors the audit plans, their evaluation of the system of internal accounting controls, and their audit report including the scope and results of the external audit, the independence and objectivity of the external auditors;
- (b) Review the consolidated financial statements of the Group and the financial statements of the Company and any announcements relating to the Group and Company's financial performance, before submission to the Board of Directors for approval;
- (c) Review the Group's financial and operating results and accounting policies;
- (d) Review the internal control procedures, its scope and the results and to ensure co-ordination between the external/internal auditors and the Management; and review the assistance given by Management to the external auditors, and discuss problems and concerns, if any, arising from the interim and final audits;
- (e) Review and report to the Board of Directors at least annually the adequacy and effectiveness of the Company's risk management and system of internal controls;
- (f) Review the effectiveness of the Company's internal audit function;
- (g) Review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results and/or financial position, and the Management's response;
- (h) Make recommendation to the Board of Directors on the proposals to the shareholders on the appointment, re-appointment or removal of the external auditors;
- (i) Review interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual;
- (j) Review potential conflicts of interest, if any;
- (k) Undertake such other review and projects as may be requested by the Board of Directors, and report to the Board of Directors its findings from time to time on matters arising and which requires the attention of the ARC; and
- (l) Undertake such other functions and duties as may be required by statute or the SGX-ST Listing Manual, or by such amendments as may be made from time to time.

Directors' Statement

5 AUDIT AND RISK COMMITTEE (cont'd)

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

The Company's internal audit function has been outsourced to Philip Liew & Co. Both the external auditors and the internal auditors report directly to the ARC their findings and recommendations.

The ARC, having reviewed the scope and value of non-audit services provided to the Company and Group by the external auditors, are satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The ARC has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming annual general meeting of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

.....
Yang Wen-Wei

.....
Lee Khin Tien

18 March 2025

Independent Auditor's Report

To the Members of HOTEL ROYAL LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Hotel Royal Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, as set out on pages 132 to 190.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of properties - Freehold land and investment properties

(Notes 13 and 14 to the financial statements)

The Group's freehold land on which its hotels are sited and investment properties are stated at their fair values based on independent external valuations. As at 31 December 2024, the Group's freehold land and investment properties amounted to \$536.18 million and \$130.42 million respectively, and these assets accounted for approximately 60% and 15% of total assets respectively.

The valuation process for these freehold land and investment properties involves determining the valuation methodology to be used, and significant judgement in estimating the underlying assumptions to be applied. Depending on the valuation methodology and property type, the key estimation inputs include values per square metre referenced to comparable properties, occupancy rates, revenue per room, capitalisation rate, discount rate and contract rate per room of comparable properties. A small change in key inputs may have a significant impact on the valuation of each of the properties.

Our audit performed and responses thereon

We obtained an understanding of management's process in selecting the external valuers with the appropriate knowledge and experience and how the valuation reports are used in determining the fair values for accounting purpose. We evaluated the qualifications, competency and objectivity of the external valuers.

We discussed with the valuers and management, and involved our internal specialists to assess the appropriateness of the valuation methodologies used by the valuers, and evaluated the basis and assumptions of the key inputs used in the respective valuation. We also sought explanations from the valuers and management, and evaluated whether these key inputs are reasonable and in line with the individual property's performance or available industry information.

Independent Auditor's Report

To The Members of HOTEL ROYAL LIMITED

We also considered the adequacy of the disclosures in Notes 13 and 14 to the financial statements, in describing the inherent degree of subjectivity and key assumptions used in the estimates.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Hoe Chi-Hsien.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

18 March 2025

Statements of Financial Position

31 December 2024

Note	The Group			The Company			
	31 December 2024	31 December 2023	1 January 2023	31 December 2024	31 December 2023	1 January 2023	
	\$'000	\$'000 (Restated)	\$'000 (Restated)	\$'000	\$'000 (Restated)	\$'000 (Restated)	
ASSETS							
Current assets							
Cash and bank balances	6	19,559	22,658	47,023	3,583	6,813	33,444
Financial assets at fair value through profit or loss	7	6,493	5,294	3,834	3,900	2,057	1,866
Financial assets at fair value through other comprehensive income	8	5,166	5,239	6,190	178	839	777
Trade receivables	9	2,308	2,443	1,826	292	548	356
Other receivables, deposits and prepaid expenses	10	1,920	1,940	1,758	425	131	154
Inventories		885	974	716	93	124	95
Income tax recoverable		69	53	83	-	-	-
Total current assets		36,400	38,601	61,430	8,471	10,512	36,692
Non-current assets							
Subsidiaries	11	-	-	-	283,018	259,343	227,769
Financial assets at fair value through other comprehensive income	8	19,424	18,804	18,581	15,386	15,553	15,500
Other assets	12	916	901	127	226	708	53
Property, plant and equipment	13	711,161	672,412	644,157	261,869	252,721	239,863
Investment properties	14	130,424	133,362	136,210	37,367	37,367	35,003
Total non-current assets		861,925	825,479	799,075	597,866	565,692	518,188
Total assets		898,325	864,080	860,505	606,337	576,204	554,880
LIABILITIES AND EQUITY							
Current liabilities							
Bank loans	15	5,234	8,759	21,375	460	720	720
Trade payables		5,018	4,310	4,074	2,468	2,180	2,188
Other payables	16	5,319	6,033	4,723	641	3,508	2,708
Income tax payable		2,189	2,563	1,195	950	1,363	842
Total current liabilities		17,760	21,665	31,367	4,519	7,771	6,458

Statements of Financial Position (Cont'd)

31 December 2024

Note	The Group			The Company			
	31 December 2024	31 December 2023	1 January 2023	31 December 2024	31 December 2023	1 January 2023	
	\$'000	\$'000 (Restated)	\$'000 (Restated)	\$'000	\$'000 (Restated)	\$'000 (Restated)	
Non-current liabilities							
Other payables	16	37	36	35	10,896	8,442	14,602
Retirement benefit obligations	17	398	259	359	-	-	-
Long-term bank loans	18	157,461	149,971	152,930	80,455	71,860	70,947
Deferred tax liabilities	19	12,213	10,657	10,362	879	832	723
Total non-current liabilities		170,109	160,923	163,686	92,230	81,134	86,272
Capital and reserves							
Share capital	20	190,836	190,836	190,836	190,836	190,836	190,836
Asset revaluation reserve	21	414,415	395,489	372,300	234,708	227,608	214,508
Employee benefit reserve	22	57	66	15	-	-	-
Fair value reserve	23	18,120	16,995	16,217	14,411	14,660	14,540
Foreign currency translation reserve	24	(19,152)	(24,146)	(14,115)	-	-	-
Retained earnings		106,180	102,252	100,199	69,633	54,195	42,266
Total equity		710,456	681,492	665,452	509,588	487,299	462,150
Total liabilities and equity		898,325	864,080	860,505	606,337	576,204	554,880

See accompanying notes to financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Year ended 31 December 2024

	Note	The Group	
		2024 \$'000	2023 \$'000 (Restated)
Revenue	25	66,753	58,340
Cost of sales		(30,979)	(28,243)
Gross profit		35,774	30,097
Distribution costs		(1,193)	(1,184)
Administrative expenses		(20,356)	(16,811)
Other income	26	3,279	4,994
Other expenses		(106)	(705)
Finance costs	27	(7,538)	(8,356)
Profit before income tax	28	9,860	8,035
Income tax expense	29	(3,174)	(3,021)
Profit for the year attributable to owners of the Company		6,686	5,014
Basic profit per share	30	5.53 cents	4.15 cents
Diluted profit per share	30	5.53 cents	4.15 cents

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Cont'd)

Year ended 31 December 2024

	Note	The Group	
		2024 \$'000	2023 \$'000 (Restated)
Profit for the year		6,686	5,014
Other comprehensive income (loss):			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Net fair value gain on investments in equity instruments designated as at fair value through other comprehensive income		1,391	841
Re-measurement of defined benefit obligations		(9)	51
Revaluation of freehold land – hotels, net of tax	13	18,926	23,189
Total		20,308	24,081
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		4,994	(10,031)
Other comprehensive income for the year, net of tax		25,302	14,050
Total comprehensive income for the year attributable to owners of the Company		31,988	19,064

See accompanying notes to financial statements.

Statements of Changes in Equity

Year ended 31 December 2024

The Group	Share capital \$'000	Asset revaluation reserve \$'000	Employee benefit reserve \$'000	Fair value reserve \$'000	Foreign currency translation reserve \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2023 (as previously reported)	190,836	372,300	15	16,217	(14,133)	65,884	631,119
Restatement (Note 36)	-	-	-	-	18	34,315	34,333
Balance as at 1 January 2023 (as restated)	190,836	372,300	15	16,217	(14,115)	100,199	665,452
<i>Total comprehensive income (loss) for the year:</i>							
Profit for the year	-	-	-	-	-	5,014	5,014
Other comprehensive income (loss) for the year	-	23,189	51	778	(10,031)	63	14,050
Total	-	23,189	51	778	(10,031)	5,077	19,064
<i>Transactions with owners, recognised directly in equity:</i>							
Final dividends (Note 35)	-	-	-	-	-	(3,024)	(3,024)
Balance at 31 December 2023	190,836	395,489	66	16,995	(24,146)	102,252	681,492
Balance at 1 January 2024 (as previously reported)	190,836	395,489	66	16,995	(23,513)	65,478	645,351
Restatement (Note 36)	-	-	-	-	(633)	36,774	36,141
Balance as at 1 January 2024 (as restated)	190,836	395,489	66	16,995	(24,146)	102,252	681,492
<i>Total comprehensive income (loss) 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 dividends (Note 35)	-	-	-	-	-	(3,024)	(3,024)
Balance at 31 December 2024	190,836	414,415	57	18,120	(19,152)	106,180	710,456

Statements of Changes in Equity (Cont'd)

Year ended 31 December 2024

The Company	Share capital \$'000	Asset revaluation reserve \$'000	Fair value reserve \$'000	Retained earnings \$'000	Total \$'000
Balance as at 1 January 2023	190,836	214,508	14,540	29,290	449,174
Restatement (Note 36)	-	-	-	12,976	12,976
Balance as at 1 January 2023 (as restated)	190,836	214,508	14,540	42,266	462,150
<i>Total comprehensive income (loss) for the year:</i>					
Profit for the year	-	-	-	14,975	14,975
Other comprehensive income (loss) for the year	-	13,100	120	(22)	13,198
Total	-	13,100	120	14,953	28,173
<i>Transactions with owners, recognised directly in equity:</i>					
Final dividends (Note 35)	-	-	-	(3,024)	(3,024)
Balance at 31 December 2023	190,836	227,608	14,660	54,195	487,299
Balance at 1 January 2024 (as previously reported)	190,836	227,608	14,660	38,761	471,865
Restatement (Note 36)	-	-	-	15,434	15,434
Balance as at 1 January 2024 (as restated)	190,836	227,608	14,660	54,195	487,299
<i>Total comprehensive income (loss) 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 dividends (Note 35)	-	-	-	(3,024)	(3,024)
Balance at 31 December 2024	190,836	234,708	14,411	69,633	509,588

See accompanying notes to financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December 2024

	The Group	
	2024	2023
	\$'000	\$'000 (Restated)
Operating activities		
Profit before income tax	9,860	8,035
Adjustments for:		
Allowance for doubtful receivables	3	18
Depreciation expense (Note 36)	7,079	5,962
Dividend income	(477)	(544)
Net fair value gain on financial assets at fair value through profit or loss	(71)	(160)
Loss on disposal of property, plant and equipment	102	30
Write back of impairment loss on property, plant and equipment	(1,267)	(2,933)
Net foreign exchange adjustment gain	(391)	(633)
Fair value (gain) loss on investment properties (Note 36)	(659)	618
Recognition of rental income on a straight-line basis over the lease term	24	27
Interest expense	7,538	8,356
Interest income	(327)	(932)
Bad debt recovered	-	(11)
Write back of allowance for doubtful receivables	-	(29)
Operating cash flows before movements in working capital	21,414	17,804
Financial assets at fair value through profit or loss	(1,043)	(1,353)
Trade and other receivables	143	(1,656)
Inventories	119	(276)
Trade and other payables	(128)	1,689
Cash generated from operations	20,505	16,208
Dividend received	477	544
Interest paid	(7,538)	(8,356)
Interest received	327	932
Income tax paid	(2,417)	(1,090)
Net cash from operating activities	11,354	8,238
Investing activities		
Additions to investment properties	(275)	(396)
Additions to property, plant and equipment	(13,666)	(18,002)
Proceeds from disposal of financial assets held at fair value through other comprehensive income	1,514	1,895
Purchase of financial assets held at fair value through other comprehensive income	(670)	(269)
Proceeds from disposal of property, plant and equipment	53	-
Net cash used in investing activities	(13,044)	(16,772)
Financing activities		
Dividends paid	(3,024)	(3,024)
Proceeds from bank loans	12,035	11,073
Repayment of bank loans	(11,092)	(23,274)
Fixed deposits pledged to banks	287	189
Net cash used in financing activities	(1,794)	(15,036)
Net decrease in cash and cash equivalents	(3,484)	(23,570)
Cash and cash equivalents at beginning of year	20,724	44,772
Effect of currency exchange adjustment	569	(478)
Cash and cash equivalents at end of year (Note 6)	17,809	20,724

See accompanying notes to financial statements.

Notes to Financial Statements

31 December 2024

1 GENERAL

The Company (Registration No. 196800298G) is incorporated in Singapore with its registered office and its principal place of business at 36 Newton Road, Singapore 307964. The financial statements are expressed in Singapore dollars, which is the functional currency of the Company.

The principal activity of the Company is that of a hotelier and investment holding. The principal activities of the subsidiaries are disclosed in Note 11.

On 2 December 1968, the Company was listed on the Main Board of Singapore Exchange Securities Trading Limited ("SGX-ST").

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the year ended 31 December 2024 were authorised for issue by the board of directors on 18 March 2025.

2.1 BASIS OF PREPARATION

The financial statements have been prepared on the historical cost basis, except as disclosed in the material accounting policy information, and are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The financial statements are expressed in Singapore dollars.

2.2 ADOPTION OF NEW AND REVISED STANDARDS

In the current year, the Group and the Company have applied all the new and revised SFRS(I) that are mandatorily effective for an accounting period that begins on or after 1 January 2024 and are relevant to its operations. The adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current

The Group has adopted the amendments to SFRS(I) 1-1, published in May 2020, for the first time in the current year.

The amendments affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants

The Group has adopted the amendments to SFRS(I) 1-1, published in December 2022, for the first time in the current year.

The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date).

Notes to Financial Statements (Cont'd)

2.2 ADOPTION OF NEW AND REVISED STANDARDS (cont'd)

Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants (cont'd)

The right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with the covenants.

STANDARDS ISSUED BUT NOT YET EFFECTIVE - At the date of authorisation of these financial statements, the following SFRS(I)s pronouncements that are relevant to the Group and the Company were issued but not effective:

Effective for annual periods beginning on or after 1 January 2025

- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*

Effective for annual periods beginning on or after 1 January 2026

- Amendments to SFRS(I) 9 and SFRS(I) 7: *Amendments to the Classification and Measurement of Financial Instruments*
- Annual Improvements to SFRS(I)s – Volume 11

Effective for annual periods beginning on or after 1 January 2027

- SFRS(I) 18: *Presentation and Disclosure in Financial Statements*

Management anticipates that the adoption of the above SFRS(I)s, SFRS(I) INTs and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption, except for the following:

SFRS(I) 18 Presentation and Disclosures in Financial Statements

SFRS(I) 18 replaces SFRS(I) 1-1, carrying forward many of the requirements in SFRS(I) 1-1 unchanged and complementing them with new requirements. In addition, some SFRS(I) 1-1 paragraphs have been moved to SFRS(I) 1-8 and SFRS(I) 7. Furthermore, minor amendments to SFRS(I) 1-7 and SFRS(I) 1-33 *Earnings per Share* have been made.

SFRS(I) 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements;
- improve aggregation and disaggregation presented in the financial statements and disclosed in the notes.

The Group and the Company is required to apply SFRS(I) 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to SFRS(I) 1-7 and SFRS(I) 1-33, as well as the revised SFRS(I) 1-8 and SFRS(I) 7, become effective when the Group and the Company applies SFRS(I) 18. SFRS(I) 18 requires retrospective application with specific transition provisions.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION

SUBSIDIARIES

Subsidiaries are entities controlled by the Group. Control is achieved when the Group has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. Details of the Group's significant subsidiaries and composition of the Group are disclosed in Note 11.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with the those of the Group. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Company's separate financial statements

Investments in subsidiaries in the Company's separate financial statements are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the respective group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

Notes to Financial Statements (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION (cont'd)

Upon the disposal of the entire interest in a foreign operation during the year, all of the exchange differences accumulated in the foreign exchange translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Refer to Notes 4(vi), 7, 8, 13 and 14 for details of non-financial assets and financial instruments that are measured at fair value on basis described above or where such fair values are disclosed.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.

Financial assets are initially measured at fair value (except for trade receivables that do not have a significant financing component which are measured at transaction price), net of transaction costs that are directly attributable to the acquisition or issue of financial assets (other than those at fair value through profit or loss). Transaction costs directly attributable to the acquisition or issue of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

Classification of financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost, fair value through other comprehensive income ('FVTOCI') or fair value through profit or loss ('FVTPL') based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

FINANCIAL INSTRUMENTS (cont'd)

Financial assets (cont'd)

Classification of financial assets (cont'd)

The Group classifies its financial assets in the following measurement categories. The basis of classification and subsequent measurement of the financial assets are further described in the respective notes.

Measurement category	Description	Financial assets
Financial assets at amortised cost	Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI")	Cash and bank balances (Note 6) Trade and other receivables (Notes 9 and 10)
Equity instruments designated as at FVTOCI	On initial recognition of certain equity instruments that are not held for trading, the Group has made an irrevocable election (on an instrument-by-instrument basis) to present subsequent changes in the instruments' fair value in other comprehensive income	Quoted equity shares, unquoted equity share and structured products (Note 8)
Financial assets at FVTPL	Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL	Quoted bonds, quoted managed funds and keyman life insurance policy (Note 7)

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 *Business Combinations* applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the fair value reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss in accordance with SFRS(I) 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "revenue" line item in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically, investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

Financial assets at FVTPL are measured at fair value at the end of each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss is included in the "other income" or "other expenses" line item and any dividend or interest earned on the financial asset is included in the "revenue" line item. Fair value is determined in the manner described in Note 4(d)(vi).

Notes to Financial Statements (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

FINANCIAL INSTRUMENTS (cont'd)

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically,

- for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other expenses" line item;
- for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other expenses" line item; and
- for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the fair value reserve.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ('ECL') on trade receivables and other receivables that are measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial asset. The ECL incorporates forward-looking information and is a probability-weighted estimate of the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. Details about the Group's credit risk management and impairment policies are disclosed in Note 4(d)(i).

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities at amortised cost

Financial liabilities at amortised cost include trade and other payables and borrowings. These are initially measured at fair value, net of transaction costs that are directly attributable to the acquisition or issue of the financial liabilities, and are subsequently measured at amortised cost using the effective interest method.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

FINANCIAL INSTRUMENTS (cont'd)

Financial guarantee contracts liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts liabilities are initially recognised at fair value and subsequently measured at the higher of the amount of the expected credit loss ('ECL') allowance calculated in accordance with SFRS(I) 9; and premium received less cumulative amortisation of the premium to date calculated on straight-line basis until maturity of the contract.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

INVENTORIES

Inventories comprising mainly hotel consumables are stated at the lower of cost (weighted average method) and net realisable value. Cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

CASH AND CASH EQUIVALENTS

Cash and bank balances comprise cash on hand and on-demand deposits which are subsequently measured at amortised cost.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and bank balances that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses except for freehold land on which certain hotels are sited, which are stated at revalued amounts.

Revaluations of freehold hotel land is performed with sufficient regularity such that the carrying amounts do not differ materially from those which would be determined using fair values at the end of the reporting period.

Any revaluation increase arising on the revaluation of freehold hotel land is recognised in other comprehensive income and accumulated in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. A decrease in carrying amount arising on the revaluation of freehold hotel land is charged to profit or loss to the extent that it exceeds the balance, if any, held in the asset revaluation reserve relating to a previous revaluation increase of that asset.

Property, plant and equipment in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any accumulated impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs are capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

On subsequent sale or retirement of a revalued freehold hotel land, the attributable revaluation surplus remaining in the asset revaluation reserve is transferred directly to retained earnings.

Notes to Financial Statements (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

PROPERTY, PLANT AND EQUIPMENT (cont'd)

Depreciation is charged so as to write off the cost of assets, other than freehold land, over their estimated useful lives, using the straight-line method except for linen, china, glassware, silver and uniforms where the original expenditure has been written down to approximately one-half of the original cost and all subsequent purchases have been written off as replacements. The estimated useful lives are as follows:

	Number of years
Leasehold land	Over the remaining terms of the leases (92 to 96)
Hotel buildings	45 to 92
Building improvements - hotels	10 to 25
Plant and equipment	3 to 10

Depreciation is not provided on freehold land, which is recorded at fair value.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Fully depreciated assets still in use are retained in the financial statements.

INVESTMENT PROPERTIES

Investment properties are held to earn rental income and/or potential capital appreciation, including property under construction for such purposes, is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Professional valuations are obtained at least once a year. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

At each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognised in profit or loss.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT (cont'd)

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. The grant income is presented under 'other income' line item.

LEASES

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment property.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The Group has applied where relevant, the practical expedient under SFRS(I) 16 that permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

Notes to Financial Statements (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

LEASES (cont'd)

The Group as lessee (cont'd)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the Group's lease liabilities comprise mainly of fixed lease payments over the lease terms.

A right-of-use asset is initially measured at cost comprising the initial lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs and any restoration costs. The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are depreciated over the lease terms commencing from the date of the lease, and are tested for impairment in accordance with the policy similar to that adopted for property, plant and equipment as disclosed above.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. Lease liability is remeasured by discounting the revised lease payments using a revised discount rate when there is a change in the lease term upon exercising extension options not previously included in the determination of the lease term. A corresponding adjustment is made to the related right-of-use asset.

REVENUE RECOGNITION - The Group recognises revenue from the following major sources:

- Hotel; and
- Investment properties.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, an asset.

Revenue from hotel operations

Revenue from operations of a hotel is recognised from the following major sources: hotel stays, carpark and spa services, and sales of food and beverages.

Revenue for hotel operations is recognised at a point in time when the services are rendered. This is also the point where the Group is entitled to payment.

Revenue from sales of food and beverages are recognised when control of the goods has transferred, being at the point in time when the food and beverages are consumed. This is also the point where the Group is entitled to payment.

Other hotel related revenue relating to spa services and car park revenue are recognised when the services are rendered to the customers. Payment is due immediately when the customer consumes the service.

Rental income

Rental income recognition is described above in lease accounting policy above.

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

REVENUE RECOGNITION (cont'd)

Financial investment income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the right to receive payment is established.

Income from providing financial guarantee is recognised in profit or loss over the guarantee period on a straight line basis.

BORROWING COSTS

Borrowing costs are recognised in profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the amortised cost of a financial liability.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, namely assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of these assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

EMPLOYEE LEAVE ENTITLEMENT

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

RETIREMENT BENEFIT COSTS

Payments to defined contribution retirement benefit plans are charged as an expense in profit or loss as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund and Malaysia Employee Provident Fund are dealt with as payments to defined contribution plans.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.

The Group presents the first two components of defined benefit costs in profit or loss as employee benefits expense. Curtailment gains or losses are accounted for as past service costs.

Subsidiaries in Thailand operate unfunded Retirement Benefit Schemes ("the Schemes") for their eligible employees. The cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is reflected immediately with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement gains and losses are recognised in other comprehensive income and accumulated in employee benefit reserve. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plan.

Notes to Financial Statements (Cont'd)

2.3 MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

RETIREMENT BENEFIT COSTS (cont'd)

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

INCOME TAX

Income tax expense represents the sum of current and deferred tax. It is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax payable represents the amount expected to be paid to taxation authorities on taxable profit for the year, using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous periods. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects the uncertainty related to income taxes.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from (i) initial recognition of goodwill; or (ii) initial recognition of assets and liabilities in a transaction that is not a business combination, and at the time of the transaction affects neither accounting nor taxable profit, and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for deductible temporary differences associated with such investments and interests only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Except for investment properties that are measured using the fair value model, the measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Offsetting

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same taxation authority.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Group's material accounting policy information, which are described in Note 2 above, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying material accounting policies

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

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of specific assets and liabilities within the next financial year, are discussed below.

Freehold hotel land and investment properties at revalued amounts (Notes 13 and 14)

The Group's freehold land on which the hotels are sited and investment properties are stated at fair values based on valuations carried out by independent external valuations. These valuations involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied.

The valuation methodologies for the Group's investment properties include the direct comparison method, income capitalisation method and/or discounted cash flow method, which involve estimates such as the capitalization rate, discount rate and values per square metre referenced to comparable properties taking into consideration for factors such as location, size, tenure and accessibility.

Certain freehold land of the Group are valued using the direct comparison approach and the key inputs involved are values per square metre referenced to comparable properties taking into consideration for factors such as location, size, tenure and accessibility.

Other freehold land are valued using the residual method for land, where the value of the land is estimated after deducting depreciated replacement cost of the hotel building from the value of the whole property - land and hotel. The income capitalisation approach and direct comparison approach are used by the valuer to estimate the value of each whole property. The value of the whole property involves key estimation inputs such as occupancy rates and revenue per room (which affect the projected earnings before interest, tax, depreciation and amortisation), the capitalisation rate and contract rate per room referenced to comparable properties, taking into consideration for differences such as location, size and tenure.

Management has exercised their judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

Information relating to the carrying amounts, valuation methodologies and inputs used in determining the fair value of the freehold land and investment properties are disclosed in Note 13 and Note 14 to the financial statements.

Valuation of leasehold land, hotel building and building improvements ("leasehold land and hotel buildings")

The Group assess annually whether leasehold land and hotel buildings have any indication of impairment in accordance with its accounting policy. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing the recoverable amount of the leasehold land and hotel buildings, management has sought guidance from the valuations performed by independent external valuers to estimate the recoverable amounts and the impairment loss or reversal required, and this involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied, including whether these are reflective current market conditions.

Notes to Financial Statements (Cont'd)

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (cont'd)

Key sources of estimation uncertainty (cont'd)

Valuation of leasehold land, hotel building and building improvements ("leasehold land and hotel buildings") (cont'd)

Underlying the valuations for hotel buildings, are key estimation inputs such as revenue per room (which affect the projected earnings before interest, tax, depreciation and amortisation) and the capitalisation rate.

Leasehold land are valued using the direct comparison approach and the key inputs are values per square metre referenced to comparable properties, taking into consideration for differences such as location, size, tenure and accessibility.

Based on the assessment, a reversal of impairment loss of \$1,267,000 (2023: \$2,933,000) has been recognised for leasehold land and hotel buildings. The determination of recoverable amounts involves estimations relating to projected earnings, occupancy rates and revenue per room. Any change in such projections and estimates can result in changes to the impairment loss or reversal in future periods. The carrying amounts of leasehold land and hotel buildings at the end of the reporting period are disclosed in Note 13 to the financial statements.

Recoverable amount of investments in subsidiaries in the Company's statement of financial position

Management has evaluated whether there is any indication of impairment by considering both internal and external sources of information, performance of the subsidiaries and the market conditions in which the subsidiaries operate in. In performing the assessments, management has also considered the financials of the entities and the approximate fair value of the underlying assets of the individual subsidiary. The carrying amount and impairment loss for subsidiaries as at year end are disclosed in Note 11.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	The Group			The Company	
	31 December 2024 \$'000	31 December 2023 \$'000 (Restated)	1 January 2023 \$'000 (Restated)	31 December 2024 \$'000	31 December 2023 \$'000 (Restated)
Financial assets					
Financial assets at amortised cost	22,962	26,079	49,925	41,822	56,260
Financial assets designated as at FVTPL	6,493	5,294	3,834	3,900	2,057
Equity instruments designated as at FVTOCI	24,590	24,043	24,771	15,564	16,392
Financial liabilities					
Financial liabilities at amortised cost	173,043	169,018	183,043	94,920	86,710
Financial guarantee	-	-	-	3,215	3,252

(b) Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements

The Group and the Company do not have financial instruments which are subject to enforceable master netting arrangements or similar netting agreements.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(c) *Financial risk management policies and objectives*

The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group arising from exposure to financial risks such as changes in foreign currency exchange rates, interest rates and equity prices. There has been no change to the Group's exposure to financial risks or the manner in which it manages and measures the risks.

The respective investments in financial assets at FVTPL or FVTOCI as disclosed in Notes 7 and 8 are subject to a variety of financial risks, including credit risk of counterparties, liquidity risk, interest rate risk, foreign currency risk, and other market risks related to prices of equity. The Group engages professional investment managers from banks to manage the risks and returns from certain financial investments classified as held for trading. All investment accounts opened with professional investment managers from banks are approved by the board of directors. Investment managers from the banks are given discretionary powers to make investment decisions on behalf of management based on specified guidelines for managed funds.

(d) *Exposure to financial risks*

(i) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses ('ECL')
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

Notes to Financial Statements (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(i) Credit risk management (cont'd)

The tables below detail the credit quality of the Group's financial assets, as well as maximum exposure to credit risk by credit risk rating grades:

	Notes	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Group						
<u>31 December 2024</u>						
Trade receivables	9	(i)	Lifetime ECL (simplified approach)	2,433	(125)	2,308
Other receivables and refundable deposits	10, 12	Performing	12-month ECL	1,101	-	1,101
					<u>(125)</u>	
<u>31 December 2023</u> (Restated)						
Trade receivables	9	(i)	Lifetime ECL (simplified approach)	2,561	(118)	2,443
Other receivables and refundable deposits	10, 12	Performing	12-month ECL	1,001	-	1,001
					<u>(118)</u>	
<u>1 January 2023</u> (Restated)						
Trade receivables	9	(i)	Lifetime ECL (simplified approach)	2,122	(296)	1,826
Other receivables and refundable deposits	10, 12	Performing	12-month ECL	1,175	-	1,175
					<u>(296)</u>	

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) *Exposure to financial risks (cont'd)*

(i) Credit risk management (cont'd)

	Notes	Internal credit rating	12-month or lifetime ECL	Gross carrying amount \$'000	Loss allowance \$'000	Net carrying amount \$'000
Company						
<u>31 December 2024</u>						
Trade receivables	9	(i)	Lifetime ECL (simplified approach)	292	-	292
Other receivables and refundable deposits	10	Performing	12-month ECL	271	-	271
					-	
<u>31 December 2023</u>						
Trade receivables	9		Lifetime ECL (simplified approach)	548	-	548
Other receivables and refundable deposits	10		12-month ECL	3	-	3
					-	

- (i) For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items with reference to historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group uses publicly available financial information and its own trading records to assess the credit rating and rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Before accepting any new customer, management assesses the potential customer's credit quality and defines credit limits by customer. The review of customer credit limits is conducted annually. There is no single customer who accounts for 10% or more of the Group's trade receivables.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Group reviews the recoverable amount of each trade debt on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Notes to Financial Statements (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(i) Credit risk management (cont'd)

The Group's credit risk is primarily attributable to its cash and bank balances, trade and other receivables. Cash and fixed deposits (Note 6) are in the custody of creditworthy financial institutions. Trade receivables are largely from credit card companies, tour agencies, regular corporate clients, hotels and tenants at the properties of the Group. Deposits may be collected to mitigate the credit risks.

The Group has no significant concentration of credit risk.

The carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for losses represent the Group's maximum exposure to credit risk.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

(ii) Interest rate risk management

The Group is exposed to interest rate risk through the impact of rate changes on its interest-bearing liabilities and assets. Information on variable interest rate instruments are in section (v) below, and in Notes 15 and 18.

Interest rate sensitivity

The sensitivity analysis below is based on the exposure to variable interest rates for financial assets and financial liabilities at the end of the reporting period.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's profit would decrease/increase by approximately \$0.81 million (2023: \$0.79 million).

The above analysis excludes the effects that changes in interest rates would have on the fair value of fixed rate bonds, fixed income funds and money market funds. Generally, increases and decreases in interest rates will have inverse impact on the fair value of investments which have fixed interest rates.

(iii) Foreign currency risk management

At the reporting date, the carrying amounts of significant financial assets denominated in currencies other than the functional currency of the respective entities in the Group are as follows:

	The Group		The Company	
	Assets		Assets	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
United States dollar	11,097	9,176	3,617	3,190
Euro	706	743	-	19
Malaysian ringgit	189	-	-	-

The above amounts include balances of subsidiaries which are eliminated on consolidation in the statement of financial position but will continue to contribute to foreign currency exposures in the statement of profit or loss and other comprehensive income.

There are no significant financial liabilities denominated in currencies other than the functional currency of the respective entities.

Foreign currency sensitivity

The following table details the sensitivity to a 5% increase and decrease in the relevant foreign currencies against the functional currency of each entity in the Group using the monetary amounts denominated in foreign currency at the period.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) *Exposure to financial risks (cont'd)*

(iii) *Foreign currency risk management (cont'd)*

Foreign currency sensitivity (cont'd)

If the relevant foreign currency strengthens or weakens by 5% against the functional currency of each Group entity:

(a) Profit will increase or decrease respectively by approximately:

	The Group	
	2024	2023
	\$'000	\$'000
Impact arising from		
United States dollar	341	248

(b) Other comprehensive income will increase or decrease respectively by approximately:

	The Group	
	2024	2023
	\$'000	\$'000
Impact arising from		
United States dollar	214	211
Euro	35	37
Malaysian ringgit	9	-

Changes in exchange rates of other currencies do not have a significant effect on profit or loss, and other comprehensive income.

Additionally, the Group is exposed to currency translation risk arising from net assets of subsidiaries operating in Malaysia, New Zealand and Thailand which are denominated in their respective domestic currencies and are also their respective functional currencies.

At the end of the year, net assets in the following countries, expressed as a percentage of net assets of the Group were as follows:

	The Group	
	2024	2023
	%	% (Restated)
Malaysia	20	19
New Zealand	8	9
Thailand	11	10

(iv) *Equity price risk management*

The Group is exposed to equity risks arising from equity investments at FVTPL and at FVTOCI. Equity investments measured at FVTOCI are held for strategic rather than trading purposes. The Group does not actively trade such investments.

Further details of these equity investments can be found in Notes 7 and 8.

Notes to Financial Statements (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(iv) Equity price risk management (cont'd)

Equity price sensitivity

The sensitivity analyses below have been determined based on the exposure to equity price risks at the end of the reporting period.

If equity prices had been 10% higher/lower and all other variables were held constant:

- The Group's and the Company's profit for the year would increase/decrease by \$0.6 million and \$0.4 million (2023: \$0.5 million and \$0.2 million) as a result of the changes in fair value of the investments in quoted bonds and quoted managed funds; and
- The Group's and the Company's other comprehensive income for the year would increase/decrease by \$2.5 million and \$1.6 million (2023: \$2.4 million and \$1.6 million) respectively, as a result of the changes in fair value of the investments in equity instruments.

The methods and assumptions used in preparing the sensitivity analysis above have not changed significantly from the prior year.

(v) Liquidity risk management

At the end of the year, the Group and the Company have unutilised credit facilities totaling \$147.4 million (2023: \$153.5 million) and \$91.5 million (2023: \$100.5 million) respectively.

From time to time, management evaluates the tenure of credit facilities. The management has assessed that both the Company and the Group have adequate resources to discharge obligations as and when they fall due.

Liquidity and interest risk analyses

Financial liabilities

The following table details the remaining contractual maturity for financial liabilities. The undiscounted cash flows of financial liabilities stated below are based on the earliest date on which the Group and Company can be required to pay interest and principal cash flows. The adjustment column represents future interest which is not included in the carrying amounts of the financial liabilities in the statements of financial position.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(v) Liquidity risk management (cont'd)

Liquidity and interest risk analyses (cont'd)

Financial liabilities (cont'd)

	Weighted average effective interest rate		On demand or within 1 year		Within 2 to 5 years		More than 5 years		Adjustment		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	%	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	p.a.	p.a.										
Financial liabilities												
The Group												
Non-interest bearing	-	-	10,311	10,252	37	36	-	-	-	-	10,348	10,288
Variable interest rate instruments	4.72	4.82	10,980	16,406	149,301	145,771	38,645	37,652	(36,231)	(41,099)	162,695	158,730
			21,291	26,658	149,338	145,807	38,645	37,652	(36,231)	(41,099)	173,043	169,018
The Company												
Non-interest bearing	-	-	3,109	5,688	3,550	24	-	-	-	-	6,659	5,712
Variable interest rate instruments	2.40	2.55	4,629	4,667	97,415	92,985	-	-	(13,783)	(16,654)	88,261	80,998
			7,738	10,355	100,965	93,009	-	-	(13,783)	(16,654)	94,920	86,710

Notes to Financial Statements (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) *Exposure to financial risks (cont'd)*

(v) *Liquidity risk management (cont'd)*

Liquidity and interest risk analyses (cont'd)

Financial assets

The following table details the expected maturity for financial assets. The amounts are based on the contractual maturities of the financial assets including future interest that will be earned on those assets except where the Group and the Company anticipates that the cash flow will occur in a different period. The adjustment column represents future interest which is not included in the carrying amounts of the financial assets on the statements of financial position.

Weighted average effective interest rate		On demand or within 1 year		Within 2 to 5 years		Adjustment		Total	
2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
% p.a.	% p.a.	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000

Financial assets

The Group

Non-interest bearing	-	-	30,884	29,059	19,500	18,997	-	-	50,384	48,056
Fixed interest rate instruments	2.76	3.11	3,759	7,586	-	-	(98)	(226)	3,661	7,360
			<u>34,643</u>	<u>36,645</u>	<u>19,500</u>	<u>18,997</u>	<u>(98)</u>	<u>(226)</u>	<u>54,045</u>	<u>55,416</u>

The Company

Non-interest bearing	-	-	8,223	6,467	15,386	15,544	-	-	23,609	22,011
Fixed interest rate instruments	-	3.51	-	4,050	-	-	-	(137)	-	3,913
Variable interest rate instruments	4.33	5.45	1,638	2,664	44,227	59,442	(8,188)	(13,321)	37,677	48,785
			<u>9,861</u>	<u>13,181</u>	<u>59,613</u>	<u>74,986</u>	<u>(8,188)</u>	<u>(13,458)</u>	<u>61,286</u>	<u>74,709</u>

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) *Exposure to financial risks (cont'd)*

(vi) Fair value of financial assets and financial liabilities (cont'd)

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	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>The Group</u>						
Financial assets at fair value through profit or loss:						
- Quoted bonds	2,488	2,075	-	-	-	-
- Quoted managed funds	1,200	2,979	-	-	-	-
- Structured products	454	-	1,204	-	-	-
- Hedge funds	-	-	1,147	-	-	-
- Keyman life insurance policy at fair value	-	-	-	240	-	-
Financial assets at fair value through other comprehensive income:						
- Quoted equity shares	9,711	9,054	-	-	-	-
- Unquoted equity shares	-	-	-	-	14,879	14,989
<u>The Company</u>						
Financial assets at fair value through profit or loss:						
- Quoted bonds	349	1,434	-	-	-	-
- Quoted managed funds	1,200	623	-	-	-	-
- Structured products	-	-	1,204	-	-	-
- Hedge funds	-	-	1,147	-	-	-
Financial assets at fair value through other comprehensive income:						
- Quoted equity shares	685	1,403	-	-	-	-
- Unquoted equity shares	-	-	-	-	14,879	14,989

Notes to Financial Statements (Cont'd)

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(d) Exposure to financial risks (cont'd)

(vi) Fair value of financial assets and financial liabilities (cont'd)

Fair values of investments classified as Level 1 of the fair value hierarchy are based on publicly available quoted prices. Level 3 investments are measured based on net assets of the unquoted funds as provided by the fund managers and measured based on adjusted net assets of the unquoted equity shares. There were no significant transfers between Level 1 and Level 2 of the fair value hierarchy during the current or prior year.

Reconciliation of Level 3 fair value measurement:

	Financial assets at FVTOCI (Equity shares) 2024 \$'000	Financial assets at FVTOCI (Structured products and equity shares) 2023 \$'000
<u>The Group</u>		
Opening balance	14,989	15,494
Disposal	-	(569)
Total gains or loss:		
- In other comprehensive income	(110)	64
Closing balance	<u>14,879</u>	<u>14,989</u>
<u>The Company</u>		
Opening balance	14,989	14,925
Total gains or loss:		
- In other comprehensive income	(110)	64
Closing balance	<u>14,879</u>	<u>14,989</u>

The gains and losses included in other comprehensive income relate to investments designated at FVTOCI held at the end of the reporting period and are reported as changes of "fair value reserves".

(e) Capital management policies and objectives

The Group's overall strategy for managing capital remains unchanged from prior year. Capital of the Group is managed to ensure that entities in the Group will be able to continue as going concern and returns to stakeholders are optimised through a mix of equity, short-term and long-term debts.

The capital structure of the Group consists of equity comprising share capital (Note 20), reserves and retained earnings, and debts which comprise bank loans (Notes 15 and 18).

In 2024, the Company converted an amount due from a subsidiary of \$20.1 million into consideration for additional investment in the subsidiary (2023: \$83.4 million into quasi-loan and subsequently increased the investment in a subsidiary) by way of issuance of shares (Note 11).

Management reviews the capital structure at least once a year, taking into consideration the cost of capital, the risks and tenure associated with each class of capital.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT (cont'd)

(e) *Capital management policies and objectives* (cont'd)

Information on aggregate debts (comprising bank borrowings) as a ratio of total assets and equity are as follows:

	The Group		
	31 December 2024	31 December 2023	1 January 2023
	\$'000	\$'000 (Restated)	\$'000 (Restated)
Total debts	162,695	158,730	174,305
Total assets	898,325	864,080	860,505
Total equity	710,456	681,492	665,452
Debt-to-total assets ratio	18%	18%	20%
Debt-to-total equity ratio	23%	23%	26%

5 RELATED PARTY TRANSACTIONS

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	The Group	
	2024	2023
	\$'000	\$'000
Short-term benefits	1,309	1,316
Post-employment benefits	81	87
	1,390	1,403

The remuneration of directors and key management personnel is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

Other related party transactions comprise:

	The Group	
	2024	2023
	\$'000	\$'000
Fees paid to a medical practice owned by a director	7	8
Commission paid to a related party for property management services *	17	17
Rental income from a related party *	9	111
Commission received from a related party for property management services *	3	3
Disposal of plant and equipment to a related party	19	-

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

Notes to Financial Statements (Cont'd)

6 CASH AND BANK BALANCES

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash on hand	188	174	37	50
Cash at bank	15,710	15,124	3,546	2,850
Fixed deposits	3,661	7,360	-	3,913
Total	19,559	22,658	3,583	6,813
Less: Fixed deposits pledged	(1,750)	(1,934)	-	-
Cash and cash equivalents in statement of cash flows	17,809	20,724	3,583	6,813

Fixed deposits of a subsidiary are pledged for loan facilities (Note 18).

The Group and the Company's fixed deposits earn interest ranging from 2.30% to 3.30% and Nil (2023: 2.05% to 3.62% and 3.43% to 3.62%) per annum respectively. The tenor for these fixed deposits are generally less than 3 months except for pledged deposits which is for up to 365 days.

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Quoted bonds	2,488	2,075	349	1,434
Quoted managed funds	1,200	2,979	1,200	623
Structured products	1,658	-	1,204	-
Hedge funds	1,147	-	1,147	-
Keyman life insurance policy at fair value	-	240	-	-
	6,493	5,294	3,900	2,057

The investments in quoted bonds and quoted managed funds offer the Group the opportunity for return through dividend income and fair value gains. The fair values of these securities are based on closing quoted market prices on the last market day of the financial year.

The fair value of keyman life insurance policy was based on the total cash surrender value of the contracts stated in the annual statement of the policy (Level 2).

Changes in the fair value of financial assets at fair value through profit or loss, amounting to net gain of \$71,000 (2023: \$160,000) have been included in profit or loss for the year as part of "other income".

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Current assets				
Quoted equity shares	5,166	5,239	178	839
Non-current assets				
Quoted equity shares	4,545	3,815	507	564
Unquoted equity shares	14,879	14,989	14,879	14,989
	19,424	18,804	15,386	15,553
Total	24,590	24,043	15,564	16,392

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (cont'd)

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.

9 TRADE RECEIVABLES

	The Group			The Company	
	31 December 2024	31 December 2023	1 January 2023	31 December 2024	31 December 2023
	\$'000	\$'000 (Restated)	\$'000 (Restated)	\$'000	\$'000
Trade receivables	2,414	2,545	2,089	292	548
Related parties ⁽¹⁾	19	16	33	-	-
Total	2,433	2,561	2,122	292	548
Less: Loss allowance	(125)	(118)	(296)	-	-
	2,308	2,443	1,826	292	548

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

As at 1 Jan 2023, the Company's trade receivables from customers amounted to \$356,000.

The credit period granted to customers is generally 30 days (2023: 30 days). No interest is charged on the outstanding trade receivables.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses ('ECL'). The Group has recognised a loss allowance of 100% against all receivables over a year past due because historical experience has indicated that these receivables are generally not recoverable. Note 4(d)(i) includes details on the credit risk management of the Group.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

The Group and the Company's age of receivables past due but not impaired amounted to \$0.8 million and \$33,466 (31 December 2023: \$0.5 million and \$0.1 million; 1 January 2023: \$0.9 million and \$0.1 million) respectively and ranges from 31 to 90 days (31 December 2023: 31 to 90 days; 1 January 2023: 31 to 90 days). The Group and the Company's allowance of \$125,000 and \$Nil (31 December 2023: \$118,000 and \$Nil; 1 January 2023: \$296,000 and \$Nil) respectively had been provided against receivables that are past due.

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in SFRS(I) 9:

Notes to Financial Statements (Cont'd)

9 TRADE RECEIVABLES (cont'd)

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the year	118	296	-	-
Loss allowance recognised in profit or loss during the year:				
- Assets originated	3	18	-	-
- No longer required (write-back)	-	(29)	-	-
- Exchange adjustment	4	(10)	-	-
Write off against loss allowance	-	(157)	-	-
	125	118	-	-

10 OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Outside parties	92	229	-	-
Refundable deposits	933	579	271	3
Prepaid expenses	895	1,132	154	128
	1,920	1,940	425	131

For purpose of impairment assessment, other receivables are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses ('ECL').

In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case. Management has determined the credit loss to be insignificant.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

11 SUBSIDIARIES

	The Company	
	2024	2023
	\$'000	\$'000
Unquoted equity shares - at cost	230,214	210,103
Less: Impairment loss	-	(14,026)
	230,214	196,077
Funds provided to subsidiaries	37,787	49,007
Less: Impairment loss	(111)	(111)
	37,676	48,896
Deemed investment in subsidiaries arising from fair value of corporate guarantees given to banks which extended credit facilities to the subsidiaries	16,532	15,774
Less: Impairment loss	(1,404)	(1,404)
	15,128	14,370
	283,018	259,343

11 SUBSIDIARIES (cont'd)

Movement of impairment loss:

	The Company	
	2024	2023
	\$'000	\$'000
Balance at beginning of the year	15,541	23,566
Reversal of impairment recognised in profit or loss	(14,026)	(8,025)
Balance at end of the year	<u>1,515</u>	<u>15,541</u>

During the year, based on management's assessment, a reversal of impairment of \$14,026,000 (2023: \$8,025,000) was made in respect of the Company's investments in certain subsidiaries. The recoverable amounts assessed by management takes into account the carrying amount of the relevant subsidiaries' audited net assets, adjusted for any revaluation changes of the hotel land and/or building of the subsidiary which is not included in the subsidiary's accounts or which approximates recoverable amount at the end of the reporting period.

The details of the Company's subsidiaries are as follows:

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2024	2023	2024	2023	
		%	%	%	%	
Royal Properties Investment Pte Ltd	Singapore	100	100	100	100	Investment in properties and subsidiaries.
Royal Capital Pte Ltd	Singapore	100	100	100	100	Investment in financial assets.
Castle Mall Properties Pte Ltd (wholly owned subsidiary of Royal Properties Investment Pte Ltd)	Singapore	100	100	100	100	Dormant.
Hotel Royal @ Queens (Singapore) Pte Ltd (wholly owned subsidiary of Royal Properties Investment Pte Ltd)	Singapore	100	100	100	100	Owns and manages a hotel.
Hotel Royal (Thailand) Private Limited	Singapore	100	100	100	100	Investment in subsidiaries.
Prestige Properties Sdn. Bhd. ⁽¹⁾	Malaysia	100	100	100	100	Investment in subsidiaries.
Faber Kompleks Sdn. Bhd. ⁽¹⁾ (wholly owned subsidiary of Prestige Properties Sdn. Bhd.)	Malaysia	100	100	100	100	Owns and manages a hotel and commercial properties.
Premium Lodge Sdn. Bhd. ⁽¹⁾ (wholly owned subsidiary of Prestige Properties Sdn. Bhd.)	Malaysia	100	100	100	100	Owns and manages a hotel.
Baba Residences Sdn. Bhd. ⁽¹⁾ (wholly owned subsidiary of Prestige Properties Sdn. Bhd.)	Malaysia	100	100	100	100	Owns and manages a hotel.
Every Room A Home Sdn. Bhd. ⁽¹⁾ (wholly owned subsidiary of Prestige Properties Sdn. Bhd.)	Malaysia	100	100	100	100	Owns and manages a hotel.
Grand Complex Properties Ltd ⁽¹⁾ (wholly owned subsidiary of Royal Properties Investment Pte Ltd)	New Zealand	100	100	100	100	Investment in commercial properties.

Notes to Financial Statements (Cont'd)

11 SUBSIDIARIES (cont'd)

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest		Proportion of voting power held		Principal activities
		2024	2023	2024	2023	
		%	%	%	%	
Hotel Royal Bangkok (Thailand) Co., Ltd ⁽¹⁾⁽²⁾ (shares held by Hotel Royal (Thailand) Private Limited)	Thailand	40	40	87	87	Owns and manages a hotel.
Excellent Hotel (Thailand) Co., Ltd. ⁽¹⁾⁽³⁾ (shares held by Hotel Royal (Thailand) Private Limited)	Thailand	49	49	91	91	Investment in subsidiary.
Panali Co., Ltd. ⁽¹⁾⁽⁴⁾	Thailand	74	74	100	100	Owns a hotel.

(1) Audited by overseas practices of Deloitte Touche Tohmatsu Limited. All other subsidiaries are audited by Deloitte & Touche LLP, Singapore.

(2) Hotel Royal (Thailand) Private Limited (a wholly-owned subsidiary in the Group) holds 40% of all shares in Hotel Royal Bangkok (Thailand) Co., Ltd and controls 87% of all votes exercisable by shareholders of Hotel Royal Bangkok (Thailand) Co., Ltd. The Articles of Association of Hotel Royal Bangkok (Thailand) Co., Ltd specifies that Hotel Royal (Thailand) Private Limited is responsible for all liabilities, assets and retained earnings of Hotel Royal Bangkok (Thailand) Co., Ltd. The consolidated financial statements of the Group thus includes all liabilities, assets and retained earnings of Hotel Royal Bangkok (Thailand) Co., Ltd.

(3) Hotel Royal (Thailand) Private Limited (a wholly-owned subsidiary in the Group) holds 49% of all shares in Excellent Hotel (Thailand) Co., Ltd and controls 91% of all votes exercisable by shareholders of Excellent Hotel (Thailand) Co., Ltd. The Articles of Association of Excellent Hotel (Thailand) Co., Ltd specifies that Hotel Royal (Thailand) Private Limited is responsible for all liabilities, assets and retained earnings of Excellent Hotel (Thailand) Co., Ltd. The consolidated financial statements of the Group thus includes all liabilities, assets and retained earnings of Excellent Hotel (Thailand) Co., Ltd.

(4) The Company's subsidiaries, Hotel Royal (Thailand) Private Limited and Excellent Hotel (Thailand) Co., Ltd hold an aggregate of 100% of the equity shares of Panali Co., Ltd.

The amounts owing by subsidiaries to the Company are unsecured and are not expected to be repaid within the next 12 months from the end of the reporting date. The outstanding amount includes \$35.2 million (2023: \$49.0 million) which has a term of 5 years with an automatic renewal clause, and bear floating interest rates ranging from 3.83% to 4.68% (2023: 5.38% to 5.50%) per annum.

The Company undertakes to provide financial support to certain subsidiaries with net current liabilities to ensure that subsidiaries can meet their contractual obligations when they fall due.

12 OTHER ASSETS

	The Group			The Company	
	31 December 2024	31 December 2023	1 January 2023	31 December 2024	31 December 2023
	\$'000	\$'000 (Restated)	\$'000 (Restated)	\$'000	\$'000
Lease incentives	16	64	152	10	41
Less: Current portion included in trade receivables	(6)	(23)	(99)	-	-
Non-current portion of lease incentives	10	41	53	10	41
Deposits	76	193	74	-	-
Prepaid expenses	830	667	-	216	667
	916	901	127	226	708

12 OTHER ASSETS (cont'd)

Lease incentives refer to non-cash incentives provided to tenants for entering into rental agreements for properties owned by the Group. The incentives are recognised as a reduction of rental income over the lease term on a straight-line basis.

Prepaid expenses are pertaining to downpayment for replacement of plant and equipment.

13 PROPERTY, PLANT AND EQUIPMENT

	Freehold land - hotels	Leasehold land	Hotel buildings	Building improvements - hotels	Plant and equipment	Linen, china glassware, silver and uniform	Construction in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group								
Cost or valuation:								
As at 1 January								
2023	493,035	2,257	152,472	71,026	25,191	1,010	538	745,529
Additions	-	-	408	7,250	10,297	-	47	18,002
Disposals	-	-	-	(171)	(180)	-	-	(351)
Reclassification*	-	-	(5,260)	5,694	89	-	(523)	-
Revaluation surplus	23,202	-	-	-	-	-	-	23,202
Exchange adjustment	(4,112)	(132)	(4,936)	(1,194)	(1,126)	(15)	(17)	(11,532)
As at 31 December								
2023	512,125	2,125	142,684	82,605	34,271	995	45	774,850
Additions	-	-	168	8,000	3,942	-	1,556	13,666
Disposals	-	-	-	(685)	(1,953)	-	-	(2,638)
Reclassification*	-	-	16,425	(14,975)	54	-	(1,504)	-
Revaluation surplus	18,977	-	-	-	-	-	-	18,977
Exchange adjustment	5,078	126	5,876	1,503	1,580	24	6	14,193
As at 31 December								
2024	536,180	2,251	165,153	76,448	37,894	1,019	103	819,048
Comprising:								
31 December 2024								
At valuation	536,180	-	-	-	-	-	-	536,180
At cost	-	2,251	165,153	76,448	37,894	1,019	103	282,868
Total	536,180	2,251	165,153	76,448	37,894	1,019	103	819,048
31 December 2023								
At valuation	512,125	-	-	-	-	-	-	512,125
At cost	-	2,125	142,684	82,605	34,271	995	45	262,725
Total	512,125	2,125	142,684	82,605	34,271	995	45	774,850

* Reclassifications have been made to conform with the Group's presentation

Notes to Financial Statements (Cont'd)

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land - hotels	Leasehold land	Hotel buildings	Building improvements - hotels	Plant and equipment	Linen, china glassware, silver and uniform	Construction in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group								
Accumulated depreciation:								
As at 1 January 2023	-	164	28,353	40,060	19,869	539	-	88,985
Charge for the year	-	28	2,028	2,112	1,783	11	-	5,962
Disposals	-	-	-	(161)	(160)	-	-	(321)
Reclassification	-	-	-	-	-	-	-	-
Exchange adjustment	-	(10)	(534)	(256)	(619)	(10)	-	(1,429)
As at 31 December 2023	-	182	29,847	41,755	20,873	540	-	93,197
Charge for the year	-	27	2,564	2,055	2,424	9	-	7,079
Disposals	-	-	-	(563)	(1,920)	-	-	(2,483)
Reclassification	-	-	78	(131)	53	-	-	-
Exchange adjustment	-	13	711	323	782	14	-	1,843
As at 31 December 2024	-	222	33,200	43,439	22,212	563	-	99,636
Accumulated impairment loss:								
As at 1 January 2023	282	-	2,972	8,940	44	149	-	12,387
(Reversal of) Additions of impairment loss	(274)	-	(724)	(1,918)	16	(33)	-	(2,933)
Exchange adjustment	(8)	-	(58)	(144)	(1)	(2)	-	(213)
As at 31 December 2023	-	-	2,190	6,878	59	114	-	9,241
(Reversal of) Additions of impairment loss	-	-	(448)	(866)	53	(6)	-	(1,267)
Exchange adjustment	-	-	63	206	4	4	-	277
As at 31 December 2024	-	-	1,805	6,218	116	112	-	8,251
Carrying amount:								
As at 31 December 2024	536,180	2,029	130,148	26,791	15,566	344	103	711,161
As at 31 December 2023	512,125	1,943	110,647	33,972	13,339	341	45	672,412

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land- hotels	Hotel buildings	Building improvements - hotels	Plant and equipment	Linen, china glassware, silver and uniform	Construction in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Company							
Cost or valuation:							
As at 1 January 2023	236,400	7,985	26,172	2,352	398	-	273,307
Additions	-	-	594	115	-	-	709
Disposals	-	-	-	(48)	-	-	(48)
Revaluation surplus	13,100	-	-	-	-	-	13,100
As at 31 December 2023	249,500	7,985	26,766	2,419	398	-	287,068
Additions	-	-	2,765	226	-	-	2,991
Disposals	-	-	-	(832)	-	-	(832)
Revaluation surplus	7,100	-	-	-	-	-	7,100
As at 31 December 2024	256,600	7,985	29,531	1,813	398	-	296,327
Comprising:							
31 December 2024							
At valuation	256,600	-	-	-	-	-	256,600
At cost	-	7,985	29,531	1,813	398	-	39,727
Total	256,600	7,985	29,531	1,813	398	-	296,327
31 December 2023							
At valuation	249,500	-	-	-	-	-	249,500
At cost	-	7,985	26,766	2,419	398	-	37,568
Total	249,500	7,985	26,766	2,419	398	-	287,068
Accumulated depreciation:							
As at 1 January 2023	-	7,236	23,973	2,018	217	-	33,444
Charge for the year	-	28	832	89	-	-	949
Disposals	-	-	-	(46)	-	-	(46)
As at 31 December 2023	-	7,264	24,805	2,061	217	-	34,347
Charge for the year	-	28	796	99	-	-	923
Disposals	-	-	-	(812)	-	-	(812)
As at 31 December 2024	-	7,292	25,601	1,348	217	-	34,458
Carrying amount:							
As at 31 December 2024	256,600	693	3,930	465	181	-	261,869
As at 31 December 2023	249,500	721	1,961	358	181	-	252,721

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. The right-of-use asset relating to leasehold land is presented under property, plant and equipment.

Property, plant and equipment of the Group and the Company with carrying amounts of \$637.1 million and \$261.2 million (2023: \$600.7 million and \$252.2 million) respectively are pledged as securities for the Group's and the Company's bank loans as disclosed in Notes 15 and 18.

Notes to Financial Statements (Cont'd)

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

During the year, the Group carried out a review of the recoverable amount of its property, plant and equipment. The review led to a reversal of impairment loss of \$1,267,000 (2023: \$2,933,000) based on recoverable amount by reference to the valuation performed by independent appraisers as at 31 December 2024 (31 December 2023) as disclosed in Note 3. The impairment losses reversed during the year mainly arose from the improved trading performances of certain hotel properties, following the progressive recovery of the hospitality sector in the countries in which these hotels are located.

Fair value measurement of freehold land

Revaluation increase/decrease is recognised only for freehold hotel land in accordance with the Group's accounting policies.

The Group engaged independent professional valuers who have the appropriate qualification and recent experience in such fair value measurement, to assist management in assessing the fair values of freehold land. Information relating to significant estimates involved in valuation of freehold land are provided in Note 3.

Based on the valuation, revaluation gain amounting to \$18.9 million (2023: \$23.2 million) and \$7.1 million (2023: \$13.1 million) for the Group and Company respectively, was recognised in other comprehensive income. Revaluation loss, if any, will be charged against the asset revaluation reserve to the extent that the decrease did not exceed the amount held in the asset revaluation reserve of the same freehold land.

The estimated fair values as at the end of each reporting period of the Group's freehold land are as follows:

	2024	2023
	\$'000	\$'000
The Group		
Freehold land:		
- Singapore	423,700	412,700
- Malaysia	59,048	55,223
- Thailand	53,432	44,202
	<hr/>	<hr/>
The Company		
Freehold land	<hr/> 256,600	<hr/> 249,500

As at 31 December 2024, had freehold hotel land been carried at historical cost, their aggregate carrying amount would have been approximately \$73.1 million (2023: \$73.1 million) for the Group and \$1.0 million (2023: \$1.0 million) for the Company.

13 PROPERTY, PLANT AND EQUIPMENT (cont'd)

Fair values of the Group's freehold and leasehold land and hotel buildings were estimated using inputs which are considered as Level 3 in the fair value hierarchy. Details of valuation techniques and significant unobservable inputs used in the fair value measurement are as follows:

	Valuation Methodology	Significant unobservable inputs (Level 3)	Inputs	
			2024	2023
Freehold land and hotel buildings in Singapore	Direct Comparison Method for land and building	Transaction prices of comparable properties - Contract rate per room ⁽¹⁾	\$772,727 to \$961,039	\$800,000 to \$1,108,974
	Income Capitalisation Method for land and building	Occupancy rate ⁽¹⁾ Room rate per day ⁽¹⁾ Capitalisation rate ⁽²⁾	80% to 86% \$155 to \$162 4.00% to 4.25%	83% to 85% \$135 to \$155 4.00% to 4.25%
	Residual Method for land	Depreciated replacement cost per room ⁽²⁾	\$238,000 to \$292,000	\$233,000 to \$303,000
Freehold, leasehold land and hotel buildings in Malaysia	Direct Comparison Method for land and building	Transaction prices of comparable properties - Contract rate per room ⁽¹⁾	\$113,504 to \$124,459 (MYR 373,000 to MYR 409,000)	\$94,776 to \$173,469 (MYR 330,000 to MYR 604,000)
		Transaction prices of comparable properties - Price per square metre ⁽¹⁾	\$1,963 to \$2,076 (MYR 6,450 to MYR 6,821)	\$1,659 to \$1,952 (MYR 5,777 to MYR 6,797)
	Income Methods for land and building	Occupancy rate ⁽¹⁾	70% to 78%	-
		Room rate per day ⁽¹⁾	\$59 to \$72 (MYR 195 to MYR 237)	-
		Capitalisation rate ⁽²⁾ Discount rate ⁽²⁾	6% to 7% 6%	7% 6%
Residual Method for land	Depreciated replacement cost per room ⁽²⁾	\$99,810 (MYR 328,000)	\$87,596 (MYR 305,000)	
Freehold land in Thailand	Direct Comparison Method for land	Price per square metre ⁽¹⁾		
		- Bangkok	\$19,056 to \$26,559 (THB 480,000 to THB 669,000)	\$21,619 to \$25,670 (THB 563,000 to THB 669,000)
		- Phuket	\$6,371 to \$10,317 (THB 160,494 to THB 259,865)	\$2,400 to \$6,600 (THB 62,500 to THB 171,875)

(1) Any significant isolated increase (decrease) in these inputs would result in a significantly higher (lower) fair value measurement.

(2) Any significant isolated increase (decrease) in these inputs would result in a significantly lower (higher) fair value measurement.

Notes to Financial Statements (Cont'd)

14 INVESTMENT PROPERTIES

In order to better reflect the valuation of investment properties in line with market value, the Group changed its accounting policy for its investment properties from the cost model to the fair value model. The cost model and fair value model are permitted by SFRS(I) 1-40 *Investment Property*. This voluntary change in accounting policy has been applied retrospectively, as disclosed in Note 36.

The Group's investment properties consist of commercial, industrial and residential properties, held to earn rental income and/or potential capital appreciation and are not occupied by the Group. These investment properties are leased to third parties under operating leases.

The Group engaged independent professional valuers who have the appropriate qualification and recent experience in such fair value measurement, to assist management in assessing the fair values of investment properties. In estimating the fair value of the investment properties, the management has assessed that the highest and best use of the properties is their current use. Information relating to significant estimates involved in valuation of investment properties are provided in Note 3.

	The Group		The Company	
	2024 \$'000	2023 \$'000 (Restated)	2024 \$'000	2023 \$'000 (Restated)
Investment properties at fair value:				
At beginning of the year	133,362	136,210	37,367	35,003
Additions *	275	396	-	6
Effect of recognising accounting income on a straight line basis over the lease term	(24)	(27)	-	-
Changes in fair value	659	(618)	-	2,358
Exchange adjustment	(3,848)	(2,599)	-	-
At end of the year	130,424	133,362	37,367	37,367

* Mainly arising from freehold buildings in New Zealand.

As at 31 December 2024, certain investment properties of the Group and Company amounting to \$120.6 million and \$37.4 million (2023: \$124.4 million and \$37.3 million) are pledged as securities for the Group's and the Company's bank loans (Notes 15 and 18).

The property rental income from the Group's investment properties is disclosed in Note 25. Direct operating expenses (including repairs and maintenance) arising from the rental-generating properties amounted to \$5.0 million (2023: \$4.7 million). Information on operating lease commitments is disclosed in Note 32.

The estimated fair values as at the end of each reporting period of the Group's investment properties are as follows:

	2024 \$'000	2023 \$'000	2022 \$'000
Freehold land and buildings in New Zealand	57,037	62,356	66,597
Freehold land and buildings in Malaysia	26,170	24,699	26,230
Freehold buildings in Singapore	9,850	8,940	8,380
Freehold land and building in Singapore *	37,367	37,367	35,003
	130,424	133,362	136,210

* The freehold land and building in Singapore is held by the Company.

14 INVESTMENT PROPERTIES (cont'd)

Fair values of the Group's investment properties were estimated using inputs which are considered as Level 3 in the fair value hierarchy. The fair values for the properties were estimated after considering the results of various valuation techniques. Details of valuation techniques and significant unobservable inputs used in the fair value measurement were as follows:

	Valuation Methodology	Significant unobservable inputs (Level 3)	Inputs		
			31 December 2024	31 December 2023	1 January 2023
Freehold land and buildings in New Zealand	Investments Method	Capitalisation rate on adopted market rental profile ⁽²⁾	5.25% to 8.50%	5.25% to 8.50%	5.12% to 8.25%
		Nominal assumed rental growth rate ⁽¹⁾	2.25% to 3.00%	2.25% to 3.05%	2.00% to 2.90%
		Rates to discount cash flows to present value ⁽²⁾	7.25% to 8.50%	7.25% to 8.50%	7.00% to 8.25%
	Direct Comparison Method	Transaction prices of comparable properties - Price per square metre of gross floor area ⁽¹⁾	\$931 to \$7,097 (NZD 1,216 to NZD 9,270)	\$1,018 to \$8,244 (NZD 1,216 to NZD 9,849)	\$969 to \$17,109 (NZD 1,140 to NZD 20,128)
Freehold land and buildings in Malaysia	Direct Comparison Method	Transaction prices of comparable properties - Price per square metre of gross floor area ⁽¹⁾	\$847 to \$5,165 (MYR 2,783 to MYR 16,973)	\$1,178 to \$10,198 (MYR 4,102 to MYR 35,510)	\$1,246 to \$10,830 (MYR 4,086 to MYR 35,510)
Freehold land and buildings in Singapore	Direct Comparison Method	Transaction prices of comparable properties - Price per square metre of strata floor area ⁽¹⁾	\$7,577 to \$27,727	\$6,944 to \$26,950	\$6,839 to \$26,289
	Income Capitalisation Method	Capitalisation rate on term interest ⁽²⁾	2.00%	-	-
		Capitalisation rate and discount rate on reversion interest ⁽²⁾	2.25%	-	-

(1) Any significant isolated increase (decrease) in these inputs would result in a significantly higher (lower) fair value measurement.

(2) Any significant isolated increase (decrease) in these inputs would result in a significantly lower (higher) fair value measurement.

15 BANK LOANS

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Short-term bank loans (secured)	-	4,252	-	-
Long-term bank loans (secured)				
- current portion (Note 18)	5,234	4,507	460	720
	5,234	8,759	460	720

Notes to Financial Statements (Cont'd)

15 BANK LOANS (cont'd)

In 2023, short-term bank loans of the Group bore variable interest ranging from approximately 3.57% to 4.82% per annum. The above bank facilities are secured on mortgages of subsidiaries' freehold land and buildings, leasehold land, and certain investment properties with aggregate carrying amounts as disclosed in Notes 13 and 14.

Reconciliation of liabilities arising from financing activities

Group	As at	Financing cash flows ⁽ⁱ⁾	Non-cash changes	As at
	1 January		Foreign exchange movement	31 December
	\$'000	\$'000	\$'000	\$'000
Bank loans and long-term bank loans (Notes 15 and 18)				
2024	158,730	943	3,022	162,695
2023	174,305	(12,201)	(3,374)	158,730

(i) The cash flows make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

16 OTHER PAYABLES

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Outside parties	5,330	5,978	6	256
Subsidiaries	-	-	8,316	8,442
Deferred grant income	26	91	-	-
Financial guarantee contract liabilities	-	-	3,215	3,252
Total	5,356	6,069	11,537	11,950
Less: Amount payable within 12 months (shown under current liabilities)	(5,319)	(6,033)	(641)	(3,508)
Amount payable after 12 months	37	36	10,896	8,442

Other payables comprise mainly amounts outstanding for ongoing operational costs.

The amount owing to subsidiaries are unsecured and are not expected to be repaid within the next 12 months from the end of reporting date. These amounts include \$6,996,372 (2023: \$8,418,000) which bear interest rates ranging from 3.93% to 4.68% (2023: 4.39% to 4.63%) per annum with terms of 5 years with automatic renewal clause commencing from 1 January 2024, where interest approximates market interest rate.

17 RETIREMENT BENEFIT OBLIGATIONS

The subsidiaries operate unfunded, defined benefit retirement benefit schemes (the "Schemes") in Thailand. Under the Schemes, eligible employee of the subsidiaries are entitled to retirement benefits based on 83% to 100% of their last drawn basic salary for Thailand employees, multiplied by the years of service on attainment of the normal retirement age of 55 years old in Thailand.

17 RETIREMENT BENEFIT OBLIGATIONS (cont'd)

The amounts recognised in the statement of financial position are as follows:

	The Group	
	2024	2023
	\$'000	\$'000
Present value of unfunded defined benefit obligations	398	259
Payable:		
Within 1 year	11	35
Later than 1 year but not later than 2 years	28	7
Later than 2 years but not later than 5 years	107	100
Later than 5 years	252	117
	398	259

Changes in the present values of the defined benefit obligations since the beginning of year arise from changes in current service costs incurred, less benefits paid. Such changes are recorded in the statement of profit or loss.

Defined benefit obligations for subsidiaries in Thailand have been valued by qualified independent actuaries. The projected unit credit method is used in the valuations.

Principal actuarial assumptions used for the purpose of the actuarial valuations were as follows:

	The Group	
	2024	2023
	%	%
Discount rate	2.5	3.0
Expected rate of salary increases	4.0	4.0

18 LONG-TERM BANK LOANS

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Long-term bank loans	162,695	154,478	80,915	72,580
Less: Amount due for settlement within 12 months (Note 15)	(5,234)	(4,507)	(460)	(720)
Amount due for settlement after 12 months	157,461	149,971	80,455	71,860

During the year, the Group's and the Company's long-term bank loans bear interest ranging from 2.00% to 5.15% and 2.00% to 5.10% (2023: 2.00% to 5.69% and 2.00% to 5.17%) per annum respectively.

These long-term bank loans are secured against the Group's and the Company's land and buildings (Note 13) and investment properties (Note 14).

The bank loans are periodically repriced on a timely basis depending on the movement in the market lending rates. Management is of the view that the carrying amounts of these bank loans approximate their fair values.

Notes to Financial Statements (Cont'd)

19 DEFERRED TAX LIABILITIES

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000 (Restated)	\$'000	\$'000
<u>Movement in deferred tax balance during the year</u>				
At beginning of year	10,657	10,362	832	723
Charge to profit or loss for the year	1,018	502	47	35
Under provision in prior year	142	32	-	74
Arising from revaluation gain on freehold hotel land	51	13	-	-
Exchange adjustment	345	(252)	-	-
At end of year	12,213	10,657	879	832

Components of deferred tax balance	Accelerated tax depreciation		
	Others	Total	
	\$'000	\$'000	\$'000
The Group			
As at 1 January 2023 (Restated)	6,095	4,267	10,362
Charge to profit or loss for the year	502	32	534
Arising from revaluation gain on freehold hotel land	-	13	13
Exchange adjustment	-	(252)	(252)
As at 31 December 2023	6,597	4,060	10,657
Charge to profit or loss for the year	1,018	142	1,160
Arising from revaluation gain on freehold hotel land	-	51	51
Exchange adjustment	-	345	345
As at 31 December 2024	7,615	4,598	12,213

Accelerated tax depreciation and others	
2024	2023
\$'000	\$'000

The Company

At beginning of year	832	723
Charge to profit or loss for the year	47	109
At end of year	879	832

Certain subsidiaries have unutilised tax losses and capital allowances carryforward of approximately \$39.9 million and \$20.5 million (31 December 2023: \$40.6 million and \$20.3 million) respectively, which are available for offset against future taxable profits of the subsidiaries, subject to the approval by the Malaysian, New Zealand and Thailand tax authorities. As at 31 December 2024 and 31 December 2023, no deferred tax asset is recorded as there is no reasonable assurance of the ability to utilise the tax losses in the foreseeable future.

No deferred tax liability has been recognised in respect of undistributed earnings of foreign subsidiaries which would be subject to withholding tax if transferred out of the country. The Group is in a position to control the timing of the transfer of these retained earnings and do not expect the retained earnings to be remitted such as to attract withholding tax in the foreseeable future.

20 SHARE CAPITAL

	The Group and the Company			
	2024	2023	2024	2023
	Number of ordinary shares ('000)		\$'000	\$'000
Issued and fully paid:				
At beginning of year and end of year	120,960	120,960	190,836	190,836

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

21 ASSET REVALUATION RESERVE

The asset revaluation reserve arises from the revaluation of freehold hotel land. On subsequent sale or retirement of a revalued freehold hotel land, the attributable revaluation surplus remaining in the asset revaluation reserve is transferred directly to retained earnings.

22 EMPLOYEE BENEFIT RESERVE

Employee benefit reserve represents the remeasurement gains and losses arising from Retirement Benefit Schemes for the Group's eligible employees.

23 FAIR VALUE RESERVE

The fair value reserve represents the fair value changes of the Group's financial assets designated as at FVTOCI.

24 FOREIGN CURRENCY TRANSLATION RESERVE

Exchange differences relating to the translation from the functional currencies of the Group's foreign subsidiaries into Singapore dollars are brought to account by recognising those exchange differences in other comprehensive income and accumulating them in a separate component of equity under the header of foreign currency translation reserve.

25 REVENUE

The Group derives its revenue from the transfer of goods and services at a point in time in the following major product lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 *Operating Segments* (see Note 31).

	The Group	
	2024	2023
	\$'000	\$'000
Hotel operations:		
- Room revenue	47,448	40,858
- Food and beverage revenue	7,789	5,998
- Spa revenue	444	542
- Car park revenue	418	328
- Rental income	2,732	2,523
- Others	384	760
Properties investments:		
- Rental income	6,921	6,713
Financial investments:		
- Interest income from investments	140	74
- Dividend income from:		
- Quoted equity investments	359	366
- Unquoted equity investments	118	178
	66,753	58,340

Notes to Financial Statements (Cont'd)

25 REVENUE (cont'd)

Room revenue, food and beverage revenue, spa revenue, and car park revenue are recorded at a point in time.

As of 31 December 2024 and 31 December 2023, there was no performance obligation that was unsatisfied or partially satisfied, other than performance obligations to be rendered during the remaining period, which generally cover a period of a year.

26 OTHER INCOME

	The Group	
	2024	2023
	\$'000	\$'000 (Restated)
Write back of impairment loss on property, plant and equipment	1,267	2,933
Write back of allowance for doubtful receivables	-	29
Fair value gain on investment properties	659	-
Fair value gain on financial assets at FVTPL	71	160
Net foreign exchange adjustment gain	391	633
Government grants	337	300
Other income	367	70
Recovery of bad debts	-	11
Interest from bank deposits	187	858
	3,279	4,994

27 FINANCE COSTS

	The Group	
	2024	2023
	\$'000	\$'000
Interest expense on bank loans	7,538	8,356

28 PROFIT BEFORE INCOME TAX

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following charges (credits):

	The Group	
	2024	2023
	\$'000	\$'000 (Restated)
Depreciation of property, plant and equipment	7,079	5,962
Staff costs (including directors' remuneration)	17,298	15,295
Cost of defined contribution plans included in staff costs	1,023	882
Directors' remuneration:		
- Directors of the subsidiaries (key management personnel)	638	583
Directors' fee:		
- Directors of the Company	240	242
- Directors of the subsidiaries (key management personnel)	110	110
Audit fees paid to:		
- Auditors of the Company and Deloitte network firms	475	440
Non-audit fees paid to:		
- Auditors of the Company and Deloitte network firms	70	112
Fair value (gain) loss on investment properties *	(659)	618
Allowance for doubtful receivables *	3	18
Loss on disposal of property, plant and equipment *	102	30

* Included in "other income" or "other expenses" in the consolidated statement of profit or loss.

29 INCOME TAX EXPENSE

	The Group	
	2024	2023
	\$'000	\$'000 (Restated)
Current tax	1,788	1,866
Withholding tax	416	435
Deferred tax	1,018	502
	3,222	2,803
(Over) Under provision in prior years:		
- current tax	(190)	186
- deferred tax	142	32
	(48)	218
Total income tax expense	3,174	3,021

Notes to Financial Statements (Cont'd)

29 INCOME TAX EXPENSE (cont'd)

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2023: 17%) to profit before income tax as a result of the following differences:

	The Group	
	2024	2023
	\$'000	\$'000 (Restated)
Profit before income tax	9,860	8,035
Income tax expense at 17% rate	1,676	1,366
Difference due to foreign tax rates	2,786	147
Non taxable items	(1,908)	(1,680)
Withholding tax	416	435
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	310	2,604
(Over) Under provision in prior years	(48)	218
Tax exemption and rebate	(58)	(69)
Total income tax expense	3,174	3,021

30 PROFIT PER SHARE

Basic profit per share is calculated on the Group profit after tax of \$6.686 million (2023 (restated): profit after tax of \$5.014 million) divided by 120.96 million (2023: 120.96 million), being the weighted average number of shares in issue.

There are no dilutive potential ordinary shares and diluted earnings per share is therefore same as basic loss per share.

31 SEGMENT INFORMATION

Products and services of the Group

The Group is primarily engaged in the following operations:

- Owning and operating hotels and providing ancillary services ("hotel operations").
- Owning and letting out investment properties ("property investments").
- Holding financial investments such as shares, bonds and funds to generate income through interest and dividends, and also for potential capital appreciation ("financial investments").

Definition of operating segments and reportable segments of the Group

For the purpose of reporting to the Group's chief operating decision-maker for resource allocation and assessment of operational performance, the information is organised in the following manner:

- Hotel operations - information is reported on individual hotel basis.
- Property investments - information is reported on individual property basis.
- Financial investments - information is reported on overall performance of the investment portfolio.

31 SEGMENT INFORMATION (cont'd)

Definition of operating segments and reportable segments of the Group (cont'd)

The above forms the basis of determining an operating segment of the Group. For the purpose of reporting segment information externally, the following reportable segments are identified:

- Hotel operations
 - Singapore
 - Malaysia
 - Thailand
- Property investments
 - Singapore
 - New Zealand
 - Malaysia
- Financial investments

The accounting policies of the reportable segments are the same as the Group's material accounting policy information described in Note 2. Segment profits represent profits earned by each segment without allocation of the finance costs and income tax expense. All assets are allocated to reportable segments except for fixed deposits and income tax recoverable. Segment liabilities represent operating liabilities attributable to each reportable segment. Bank borrowings, deferred tax liabilities and tax liabilities are not allocated. Information regarding the Group's reportable segments is presented below:

I Revenue

	External		Inter-segment		Total	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Hotel operations						
Singapore	29,958	28,940	-	-	29,958	28,940
Malaysia	15,854	8,564	-	-	15,854	8,564
Thailand	13,403	13,505	-	-	13,403	13,505
	59,215	51,009	-	-	59,215	51,009
Property investments						
Singapore	1,076	990	98	99	1,174	1,089
New Zealand	4,769	4,712	-	-	4,769	4,712
Malaysia	1,076	1,011	-	-	1,076	1,011
	6,921	6,713	98	99	7,019	6,812
Financial investments	617	618	4,219	2,969	4,836	3,587
Segments total	66,753	58,340	4,317	3,068	71,070	61,408

Notes to Financial Statements (Cont'd)

31 SEGMENT INFORMATION (cont'd)

II Net profit (loss)

	Total	
	2024	2023
	\$'000	\$'000 (Restated)
Hotel operations		
Singapore	8,745	8,847
Malaysia	2,607	(2,897)
Thailand	3,027	8,561
	14,379	14,511
Property investments		
Singapore	1,505	3,406
New Zealand	279	(2,742)
Malaysia	521	470
	2,305	1,134
Financial investments	714	746
Segments total	17,398	16,391
Finance costs	(7,538)	(8,356)
Profit before income tax	9,860	8,035
Income tax expense	(3,174)	(3,021)
Profit after income tax	6,686	5,014

III Segment assets and liabilities

	Segment assets		Segment liabilities	
	2024	2023	2024	2023
	\$'000	\$'000 (Restated)	\$'000	\$'000 (Restated)
Hotel operations				
Singapore	461,288	449,111	3,526	3,733
Malaysia	165,098	151,587	3,739	3,753
Thailand	103,331	90,135	2,890	2,159
	729,717	690,833	10,155	9,645
Property investments				
Singapore	47,328	46,440	109	115
New Zealand	58,416	63,666	484	856
Malaysia	26,170	24,699	-	-
	131,914	134,805	593	971
Financial investments	32,912	31,029	24	22
Segments total	894,543	856,667	10,772	10,638
Unallocated items	3,782	7,413	177,097	171,950
Consolidated total	898,325	864,080	187,869	182,588

31 SEGMENT INFORMATION (cont'd)

IV Other segment information

Other segment information includes the following charges (credits):

	Hotel operations				Property investment				Consolidated total
	Singapore	Malaysia	Thailand	Subtotal	Singapore	New	Malaysia	Subtotal	
						Zealand			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2024									
Additions to non-current assets	3,558	7,569	2,539	13,666	-	275	-	275	13,941
Depreciation	2,300	3,956	823	7,079	-	-	-	-	7,079
Loss (gain) on disposal of property, plant and equipment	12	(3)	93	102	-	-	-	-	102
Allowance for doubtful receivables	-	-	3	3	-	-	-	-	3
Write back of impairment loss on property, plant and equipment	-	(739)	(528)	(1,267)	-	-	-	-	(1,267)
Fair value (gain) loss on investment properties	-	-	-	-	(908)	249	-	(659)	(659)
2023 (Restated)									
Additions to non-current assets	1,339	16,206	457	18,002	6	390	-	396	18,398
Depreciation	2,313	2,933	716	5,962	-	-	-	-	5,962
Recovery of bad debts	-	-	-	-	-	(11)	-	(11)	(11)
Loss (gain) on disposal of property, plant and equipment	3	(1)	28	30	-	-	-	-	30
Allowance for doubtful receivables	-	-	-	-	18	-	-	18	18
Write back of allowance for doubtful receivables	-	-	(4)	(4)	-	(25)	-	(25)	(29)
Write back of impairment loss on property, plant and equipment	-	(409)	(2,524)	(2,933)	-	-	-	-	(2,933)
Fair value (gain) loss on investment properties	-	-	-	-	(2,917)	3,535	-	618	618

Notes to Financial Statements (Cont'd)

31 SEGMENT INFORMATION (cont'd)

V Geographical information

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

	Revenue from external customers		Non-current assets	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000 (Restated)
Singapore	31,651	30,548	522,173	508,898
Malaysia	16,930	9,575	185,346	170,146
New Zealand	4,769	4,712	57,650	62,357
Thailand	13,403	13,505	96,756	84,078
	66,753	58,340	861,925	825,479

32 OPERATING LEASE ARRANGEMENTS

The Group and Company as lessor

Operating leases, in which the Group is the lessor, relate to investment properties and hotel buildings owned by the Group with lease terms of between 1 to 7 years (2023: 1 to 8 years). The lessee does not have an option to purchase the property at the expiry of the lease period. The unguaranteed residual values do not represent a significant risk for the Group.

Maturity analysis of operating lease receivables:

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Year 1	7,860	7,602	2,314	1,848
Year 2	5,239	5,503	1,250	532
Year 3	3,317	3,661	884	-
Year 4	3,136	2,511	1,240	-
Year 5	2,547	1,878	800	-
Year 6 and onwards	10,574	6,544	-	-
	32,673	27,699	6,488	2,380

33 CONTINGENT LIABILITIES

Guarantees given

The Company provides corporate guarantee to banks for banking facilities totaling \$155.3 million (2023: \$165.6 million) obtained by subsidiaries. The fair values of the financial guarantee at the end of reporting period is approximately \$3.2 million (2023: \$3.3 million). The maximum amount that the Company could be obliged to settle in the event that the guarantees are called upon is \$81.8 million (2023: \$86.1 million) based on facilities used by the subsidiaries at the end of the year.

34 CAPITAL EXPENDITURE COMMITMENTS

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Estimated amounts committed for future capital expenditure but not provided for in the financial statements	1,430	7,520	402	2,226

35 DIVIDENDS

During the financial year, the Company declared and paid a first and final tax-exempt dividend of \$0.025 (2023: \$0.025) per ordinary share of the Company totaling \$3.02 million (2023: \$3.02 million) in respect of the financial year ended 31 December 2023 (2023: 31 December 2022).

Subsequent to 31 December 2024, the directors of the Company recommended that a first and final tax-exempt dividend be paid at \$0.027 per ordinary share totaling \$3.27 million for the financial year just ended on the ordinary shares of the Company. The dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

36 RESTATEMENT OF COMPARATIVE INFORMATION

In the current financial year, the Group changed its accounting policy regarding the subsequent measurement of investment properties from the cost model to the fair value model, where changes in fair values are recognised in profit or loss. The fair value model better reflects the performance of the property investments segment. The cost model and fair value model are permitted by SFRS(I) 1-40 *Investment Property*. This voluntary change in accounting policy has been applied retrospectively. As a result, certain line items have been adjusted in the statement of financial position, statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and the related notes to the financial statements.

The items were adjusted as follows:

Restated statement of financial position as at 31 December 2023 and 1 January 2023:

	The Group			The Group		
	31 December 2023			1 January 2023		
	Reported previously \$'000	Adjustments \$'000	Restated \$'000	Reported previously \$'000	Adjustments \$'000	Restated \$'000
ASSETS						
Current assets						
Trade receivables	2,516	(73)	2,443	1,925	(99)	1,826
Total current assets	38,674	(73)	38,601	61,529	(99)	61,430
Non-current assets						
Other assets	1,503	(602)	901	740	(613)	127
Investment properties	95,864	37,498	133,362	101,318	34,892	136,210
Total non-current assets	788,583	36,896	825,479	764,796	34,279	799,075
Total assets	827,257	36,823	864,080	826,325	34,180	860,505

Notes to Financial Statements (Cont'd)

36 RESTATEMENT OF COMPARATIVE INFORMATION (cont'd)

	The Group			The Group		
	31 December 2023			1 January 2023		
	Reported previously \$'000	Adjustments \$'000	Restated \$'000	Reported previously \$'000	Adjustments \$'000	Restated \$'000
LIABILITIES AND EQUITY						
Non-current liabilities						
Deferred tax liabilities	9,975	682	10,657	10,515	(153)	10,362
Total non-current liabilities	160,241	682	160,923	163,839	(153)	163,686
Capital and reserves						
Translation reserve	(23,513)	(633)	(24,146)	(14,133)	18	(14,115)
Retained earnings	65,478	36,774	102,252	65,884	34,315	100,199
Total equity	645,351	36,141	681,492	631,119	34,333	665,452
Total liabilities and equity	827,257	36,823	864,080	826,325	34,180	860,505
The Company						
31 December 2023						
1 January 2023						
	Reported previously \$'000	Adjustments \$'000	Restated \$'000	Reported previously \$'000	Adjustments \$'000	Restated \$'000
ASSETS						
Non-current assets						
Investment properties	21,933	15,434	37,367	22,027	12,976	35,003
Total non-current assets	550,258	15,434	565,692	505,212	12,976	518,188
Total assets	560,770	15,434	576,204	541,904	12,976	554,880
Capital and reserves						
Retained earnings	38,761	15,434	54,195	29,290	12,976	42,266
Total equity	471,865	15,434	487,299	449,174	12,976	462,150
Total liabilities and equity	560,770	15,434	576,204	541,904	12,976	554,880

36 RESTATEMENT OF COMPARATIVE INFORMATION (cont'd)

Restated consolidated statement of profit or loss for the financial year ended 31 December 2023:

	The Group		
	Year ended 31 December 2023		
	Reported previously	Adjustments	Restated
	\$'000	\$'000	\$'000
Cost of sales	(29,474)	1,231	(28,243)
Gross profit	28,866	1,231	30,097
Other income	5,224	(230)	4,994
Other expenses	(3,049)	2,344	(705)
Profit before income tax	4,690	3,345	8,035
Income tax expense	(2,135)	(886)	(3,021)
Profit for the year attributable to the owners of the Company	2,555	2,459	5,014

Restated consolidated statement of profit or loss and other comprehensive income for the financial year ended 31 December 2023:

	The Group		
	Year ended 31 December 2023		
	Reported previously	Adjustments	Restated
	\$'000	\$'000	\$'000
Profit for the year	2,555	2,459	5,014
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	(9,380)	(651)	(10,031)
Other comprehensive loss for the year, net of tax	14,701	(651)	14,050
Total comprehensive income for the year attributable to owners of the Company	17,256	1,808	19,064

Upon the adoption of the fair value model for investment properties, the Group restated the subsequent measurements of investment properties and retained earnings, resulting in an increase in the value of investment properties by \$37.498 million from \$95.864 million to \$133.362 million, and the restated retained earnings increased by \$36.774 million from \$65.478 million to \$102.252 million as of 31 December 2023.

The Company also recognised an increase in the value of its investment properties by \$15.434 million, from \$21.933 million to \$37.367 million, with the retained earnings increasing by \$15.434 million from \$471.865 million to \$487.299 million as of 31 December 2023 due to the fair value model adoption.

The change in accounting policy regarding the subsequent measurement of investment properties from the cost model to the fair value model by the Group and Company resulted in the following recognition in the Statements of Financial Position as of 31 December 2024:-

- The Group's trade receivables, other assets, deferred tax liabilities and foreign currency translation reserve decreased by \$0.096 million, \$0.498 million, \$14.599 million and \$0.929 million respectively.
- The Group's investment properties and retained earnings increased by \$39.327 million and \$54.261 million respectively.
- The Company's investment properties and retained earnings increased by \$15.533 million.

Notes to Financial Statements (Cont'd)

36 RESTATEMENT OF COMPARATIVE INFORMATION (cont'd)

In the Consolidated Statement of Profit or Loss for the year ended 31 December 2024, the Group's depreciation and income tax expenses (deferred tax) decreased by \$1.302 million and \$16.387 million respectively, while other operating income (relating to fair value changes) increased by \$0.204 million. The EPS (basic and diluted) increased by 14.46 cents.

The impact to deferred tax arose from the change in tax rule in New Zealand. During the financial period, the New Zealand Government passed the Taxation (Annual Rates for 2023-2024, Multinational Tax, and Remedial Matters) Bill into law. The Bill included the removal of tax deductions for depreciation on non-residential buildings. Going forward, there is no tax deduction available for depreciation.

Statistics of Shareholdings

As at 4 March 2025

Issued and Fully Paid-Up Capital	:	S\$191,449,496
No. of Shares Issued	:	120,960,000
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote Per Share
No. of Treasury Shares And Subsidiary Holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Holders	No. of Shares	% of Shares
1 - 99	65	5.16	553	0.00
100 - 1,000	231	18.34	106,408	0.09
1,001 - 10,000	611	48.49	2,760,580	2.28
10,001 - 1,000,000	342	27.14	24,162,774	19.98
1,000,001 AND ABOVE	11	0.87	93,929,685	77.65
TOTAL	1,260	100.00	120,960,000	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	% of Shares
1	Aik Siew Tong Ltd	29,211,840	24.15
2	Great Eastern Life Assurance Co Ltd - Participating Fund	13,402,096	11.08
3	Hock Tart Pte Ltd	12,979,680	10.73
4	Melodies Limited	11,491,200	9.50
5	Singapore-Johore Express Pte Ltd	10,959,282	9.06
6	Asia Building Berhad	8,250,480	6.82
7	GTK Holding Pte Ltd	2,032,000	1.68
8	Citibank Nominees Singapore Pte Ltd	1,749,932	1.45
9	DBS Nominees Pte Ltd	1,400,041	1.16
10	Chip Keng Holding Berhad	1,386,000	1.14
11	The Great Eastern Trust Private Limited	1,067,134	0.88
12	Wee Aik Koon Pte Ltd	991,500	0.82
13	Morph Investments Ltd	914,400	0.76
14	OCBC Securities Private Ltd	803,113	0.66
15	Ng Poh Cheng	783,200	0.65
16	Lee Khin Tien (Li Qingtian)	727,063	0.60
17	Season Holdings Pte Ltd	720,960	0.60
18	Tan Cheh Tian (Chen Jingzhen)	700,000	0.58
19	Phillip Securities Pte Ltd	616,888	0.51
20	Tan Hock Teng	562,200	0.46
TOTAL		100,749,009	83.29

Statistics of Shareholdings

As at 4 March 2025

Substantial Shareholders as at 4 March 2025 as shown in the Company's Register of Substantial Shareholders:-

Substantial Shareholders	Direct Interest		Deemed Interest	
	No. of shares	%	No. of shares	%
Lee Chou Hor George ⁽¹⁾	42,000	0.03	12,993,680	10.74
Lee Chou Tart ⁽²⁾	-	-	12,979,680	10.73
Aik Siew Tong Ltd ⁽³⁾	29,211,840	24.15	22,450,482	18.56
Hock Tart Pte Ltd ⁽⁴⁾	12,979,680	10.73	29,211,840	24.15
The Great Eastern Life Assurance Co Ltd ⁽⁵⁾	13,406,934	11.08	-	-
Great Eastern Holdings Limited ⁽⁶⁾	-	-	14,478,906	11.97
Oversea-Chinese Banking Corporation Limited ⁽⁷⁾	-	-	14,478,906	11.97
Asia Building Bhd ⁽⁸⁾	8,250,480	6.82	1,386,000	1.15
Melodies Limited ⁽³⁾	11,491,200	9.50	-	-
Other Shareholders				
The Singapore-Johore Express (Private) Limited ⁽³⁾	10,959,282	9.06	-	-
Chip Keng Holding Bhd ⁽⁸⁾	1,386,000	1.15	-	-

Note:

- (1) Lee Chou Hor George owns 24.84% of the share capital of Hock Tart Pte Ltd ("Hock Tart"). He is deemed interested in the shares held by Hock Tart. Additionally, Lee Chou Hor George is also deemed interested in the 14,000 shares held by his spouse.
- (2) Lee Chou Tart owns 24.84% of the share capital of Hock Tart. He is deemed interested in the shares held by Hock Tart.
- (3) Aik Siew Tong Ltd ("AST") holds 83.4% and 69.1% of the share capital of Melodies Limited ("Melodies") and The Singapore-Johore Express (Private) Limited ("S-J Express") respectively and is deemed to be interested in the 11,491,200 shares and 10,959,282 shares held by Melodies and S-J Express respectively.
- (4) Hock Tart Pte Ltd holds 31.7% of the share capital of AST and is therefore deemed interested in the shares held by AST.
- (5) The Great Eastern Life Assurance Co Ltd is the wholly owned subsidiary of Great Eastern Holdings Limited. Great Eastern Holdings Limited is therefore deemed interested in the 13,406,934 shares (of which 4,838 shares are registered in the name of DBS Nominees (Private) Limited).
- (6) Great Eastern Holdings Limited is deemed interested in the 14,478,906 shares which made up of 13,406,934 shares as aforementioned; 1,067,134 shares registered in the name of its subsidiary, The Great Eastern Trust Private Limited; and 4,838 shares registered in the name of DBS Nominees (Private) Limited (for the beneficial interest of The Great Eastern Trust Private Limited).
- (7) Oversea-Chinese Banking Corporation Limited is deemed to be interested in the shares held by Great Eastern Holdings Ltd.
- (8) Chip Keng Holding Bhd is the wholly owned subsidiary of Asia Building Bhd. Asia Building Bhd is deemed interested in the 1,386,000 shares held by Chip Keng Holding Bhd.

PERCENTAGE OF SHAREHOLDING HELD IN THE HANDS OF PUBLIC

Based on information available to the Company as at 4 March 2025, approximately 24.13% of the Company's issued ordinary shares were held in the hands of the public. Accordingly, Rule 723 of the Listing Manual of Singapore Exchange Securities Trading Limited has been complied with.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 56th Annual General Meeting (“**AGM**”) of Hotel Royal Limited (the “**Company**”) will be held at the Hotel Royal, Level 3, Royal Room 1, 36 Newton Road, Singapore 307964 on Friday, 25 April 2025 at 2.30 p.m. for the following business:-

As Ordinary Business

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a tax exempt one-tier first and final dividend of 2.7 cents per ordinary share for the financial year ended 31 December 2024. (FY2023: 2.5 cents per ordinary share). **(Resolution 2)**
3. To approve the payment of Directors’ fees of S\$239,833 for the financial year ended 31 December 2024. (FY2023: S\$242,000). **(Resolution 3)**
4. To re-elect Mr. Yang Wen-Wei who is retiring pursuant to Article 117 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as Director of the Company. **(Resolution 4)**
[See Explanatory Note (i)]
5. To re-elect Mr. Lee Khin Tien who is retiring pursuant to Article 117 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as Director of the Company. **(Resolution 5)**
[See Explanatory Note (ii)]
6. To re-elect Dr. Lee Chu Muk who is retiring pursuant to Article 117 of the Company’s Constitution, and who, being eligible, offers himself for re-election, as Director of the Company. **(Resolution 6)**
[See Explanatory Note (iii)]
7. To re-elect Ms. Lim Siew Li who is retiring pursuant to Article 122 of the Company’s Constitution, and who, being eligible, offers herself for re-election, as Director of the Company. **(Resolution 7)**
[See Explanatory Note (iv)]
8. To re-appoint Messrs Deloitte & Touche LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 8)**
9. To transact any other ordinary business of an Annual General Meeting of which due notice shall have been given.

By Order of the Board

Sin Chee Mei
Company Secretary

Singapore,
4 April 2025

Notice of Annual General Meeting

EXPLANATORY NOTES:

- (i) Mr. Yang Wen-Wei will, upon re-election as a Director of the Company, remain as a Non-Executive Chairman and Independent Director of the Company as well as Chairman of Remuneration Committee and Nominating Committee and a member of the Audit and Risk Committee. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information on Mr. Yang Wen-Wei can be found under the "Board of Directors", "Corporate Governance Report" and "Disclosure of information on Directors seeking re-election" sections in the Company's Annual Report.
- (ii) Mr. Lee Khin Tien will, upon re-election as a Director of the Company, remain as a Non-Executive and Non-Independent Director of the Company as well as a member of the Audit and Risk Committee, Remuneration Committee and Nominating Committee. Detailed information on Mr. Lee Khin Tien can be found under the "Board of Directors", "Corporate Governance Report" and "Disclosure of information on Directors seeking re-election" sections in the Company's Annual Report.
- (iii) Dr. Lee Chu Muk will, upon re-election as a Director of the Company, remain as a Non-Executive and Non-Independent Director of the Company. Detailed information on Dr. Lee Chu Muk can be found under the "Board of Directors", "Corporate Governance Report" and "Disclosure of information on Directors seeking re-election" sections in the Company's Annual Report.
- (iv) Ms. Lim Siew Li will, upon re-election as a Director of the Company, remain as a Non-Executive and Independent Director of the Company and a member of the Audit and Risk Committee. She is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST. Detailed information on Ms. Lim Siew Li can be found under the "Board of Directors", "Corporate Governance Report" and "Disclosure of information on Directors seeking re-election" sections in the Company's Annual Report.

NOTES:

(a) **Participation in the AGM**

1. The Annual General Meeting (the "**Meeting**" or "**AGM**") will be held, in a wholly physical format at the AGM venue set out above and there will be no option for members to participate virtually. The Notice of AGM, Proxy Form, Annual Report 2024 Request Form and the Annual Report will be made available on the SGXNET at <https://www.sgx.com/securities/company-announcements> and the Company's website at <http://hotelroyal.listedcompany.com/home.html>. A printed copy of the Notice of AGM, Proxy Form and Annual Report 2024 Request Form will be sent to the members of the Company.
2. Members may participate in the AGM by:
 - (a) attending the AGM in person;
 - (b) submitting questions in relation to any agenda item in this Notice of AGM in advance of, or at the AGM; and/or
 - (c) voting at the AGM by themselves or through their duly appointed proxy(ies).

Details of the steps for registration, asking of questions and voting at the AGM by members, are set out in the notes below.

(b) **Registration in person to attend the AGM**

1. Members, including CPF and SRS investors can attend the AGM in person.

To do so, they will need to register in person at the registration counter(s) outside the AGM venue on the day of the event. Please bring along your NRIC/Passport to enable the Company to verify your identity. Members and/or their proxy(ies) are advised to arrive early to facilitate the registration process and exercise social responsibility and not to attend the AGM if they are feeling unwell. The Company reserves the right to refuse admittance to the AGM if the attendee's identity cannot be verified accurately.

2. For investors who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967 of Singapore) including CPF and SRS Investors and who wish to participate in the AGM should contact their respective relevant intermediaries (including CPF Agent Banks and SRS Operators) through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

(c) Asking Questions

1. Members, including CPF and SRS investors may ask question relating to the item on the agenda of the AGM during the AGM physically or submitting their question to the Company in advance ("**Advanced Questions**") by 15 April 2025, 2:30 p.m. ("**Cut-off Time**") through any of the following means:
 - (i) by post, to be deposited at the registered office of the Company at 36 Newton Road, Singapore 307964; or
 - (ii) by email to ir@hotelroyal.com.sg
2. Members, including CPF and SRS investors must identify themselves when posting questions through email or mail by providing their full names (for individuals)/company names (for corporations), NRIC/passport number/company registration numbers, contact numbers, email address, number of shares and the manner in which their hold shares (if hold shares directly, please provide the CDP account number; otherwise, please state if you hold your shares through CPF or SRS, or are a relevant intermediary shareholders).
3. The Company will address all substantial and relevant Advanced Questions through announcement on the SGX website at <https://www.sgx.com/securities/company-announcements> and the Company's website at <http://hotelroyal.listedcompany.com/home.html> by 18 April 2025.
4. The Company will endeavors to address (i) subsequent clarifications sought, (ii) follow-up questions, or (iii) subsequent substantial and relevant questions which are received after the Cut-off Time at the AGM itself or via an announcement on SGXNet and the Company's website. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
5. The Company will, within one month after the AGM, publish the minutes of the AGM on the SGXNet and the Company's website and the minutes will include the responses to the substantial and relevant questions raised during the AGM.

(d) Voting at the AGM or voting by appointing proxy(ies)

1. Members will be able to vote at the AGM in person, or by appointing proxy or proxies to vote on their behalf.
2. Duly completed proxy forms must be submitted through any of the following means no later than 22 April 2025, 2:30 p.m., being no later than seventy-two (72) hours before the time appointed for holding the AGM and in default the instrument of proxy shall not be treated as valid:
 - (i) If sent personally or by post, the proxy form must be lodged at the registered office of the Company at Hotel Royal Limited, 36 Newton Road, Singapore 307964; or
 - (ii) If by email, the proxy form must be received at main@zicoholdings.com

The proxy form is made available on SGXNet and the Company's corporate website at <http://hotelroyal.listedcompany.com/home.html> and may be accessed through announcement on the SGX website at <https://www.sgx.com/securities/company-announcements>.

The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorized, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.

Notice of Annual General Meeting

3. A proxy need not be a member of the company.
4. A member of the Company which is a corporation is entitled to appoint its authorized representatives or proxies to vote on its behalf.
5. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

6. For investors who hold shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS Investors:

- (a) may vote at the AGM if they are appointed as proxies by their respective relevant intermediaries, and should contact their respective relevant intermediaries if they have any queries regarding their appointment as proxies; or

- (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM,

in which case they should approach their relevant intermediaries to submit their votes at least seven (7) working days prior to the AGM.

7. A member (other than a Relevant Intermediary) is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints more than one (1) proxy, the proportion of the shareholding concerned to the represented by each proxy shall be specified in the form of the proxy.
8. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote in his/her stead at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

“Relevant Intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967.

9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument.

PERSONAL DATA PRIVACY

By (a) submitting an instrument appointing the Chairman of the Meeting, proxy(ies) and/or representatives to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), addressing relevant and substantial questions from members received before and/or during the AGM and if necessary, following up with the relevant members in relation to such questions and enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities (collectively, the **“Purposes”**); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty. Photographic, sound, and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM. Accordingly, the personal data of the member of the Company or the member's proxy(ies) or representative(s) (such as his/her name, his/her presence at the AGM and any questions he/she may raise or motions he/she propose/second) may be recorded by the Company for such Purposes.

Disclosure of Information on Directors Seeking Re-Election

Mr. Yang Wen-Wei, Mr. Lee Khin Tien, Dr. Lee Chu Muk and Ms. Lim Siew Li are the Directors seeking re-election at the forthcoming Annual General Meeting of the Company to be convened and held on Friday, 25 April 2025 (“**AGM**”) (collectively, the “**Retiring Directors**” and each a “**Retiring Director**”).

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

	MR. YANG WEN-WEI	MR. LEE KHIN TIEN
Date of Appointment	28 April 2018	31 December 1996
Date of last re-appointment (if applicable)	30 April 2022	30 April 2022
Age	53	73
Country of principal residence	Singapore	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee (“ NC ”) and has reviewed and considered the past contribution and performance, attendance, preparedness, participation, candour and suitability of Mr. Yang Wen-Wei for re-appointment as Non-Executive and Independent Director of the Company. The Board have reviewed and concluded that Mr. Yang Wen-Wei possess the experience, expertise, knowledge and skills to continue contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the past contribution and performance, attendance, preparedness, participation, candour and suitability of Mr. Lee Khin Tien for re-appointment as Non-Executive and Non-Independent Director of the Company. The Board has reviewed and concluded that Mr. Lee Khin Tien possess the experience, expertise, knowledge and skills to continue contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g.) Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Chairman, Chairman of Remuneration Committee and NC and a member of Audit and Risk Committee	Non-Executive Director and a member of the Audit and Risk Committee, Remuneration Committee and NC
Professional qualifications	Master of Science, Electrical Engineering (Wireless Engineering) from Northeastern University, Boston, MA, USA	Bachelor of Science (Biology) from the Nanyang University
Working experience and occupation(s) during the past 10 years	2018 – Present: Executive Operating Officer, Merdeka Construction Company Pte. Ltd. 2011 - 2017: Founder & Business Owner, Kapstone Asia Pte Ltd	Director of Aik Siew Tong Limited, Melodies Limited and The Singapore-Johore Express (Private) Limited with businesses ranging from real estate, bus transportation and plantation

Disclosure of Information on Directors Seeking Re-Election

	MR. YANG WEN-WEI	MR. LEE KHIN TIEN
Shareholding interest in the listed issuer and its subsidiaries	Nil	Direct Interest: 727,063 ordinary Shares Deemed Interest: Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries.	Nil	Brother of Mr. Lee Kin Hong (Non-Executive and Non-Independent Director). Uncle of Mr. Lee Chou Hor George (Non-Executive Director and Substantial Shareholder), Dr. Lee Chu Muk (Non-Executive Director), Mr. Lee Chou Tart (Substantial Shareholder) and Mr. Lee Chou Hock (Chief Executive Officer)
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships (for the last 5 years)	<p>Present:</p> <p>1) Merdeka Construction Company Pte. Ltd. - Executive Operating Officer</p> <p>Past Directorship:</p> <p>1) Kapstone Asia Pte Ltd</p>	<p>Present Directorship:</p> <p>1) Aik Siew Tong Limited</p> <p>2) The Singapore-Johore Express (Private) Limited,</p> <p>3) Melodies Limited</p> <p>4) Royal Properties Investments Pte Ltd</p> <p>5) Royal Capital Pte Ltd</p> <p>6) Hotel Royal @ Queens (Singapore) Pte Ltd</p> <p>7) Hotel Royal (Thailand) Private Limited</p> <p>8) Castle Mall Properties Pte Ltd</p>

	DR. LEE CHU MUK	MS. LIM SIEW LI
Date of Appointment	27 April 2019	1 September 2024
Date of last re-appointment (if applicable)	28 April 2023	–
Age	45	64
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contribution and performance, attendance, preparedness, participation, candour and suitability of Dr. Lee Chu Muk for re-appointment as Non-Executive and Non-Independent Director of the Company. The Board has reviewed and concluded that Dr. Lee Chu Muk possess the experience, expertise, knowledge and skills to continue contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the contribution, expertise, experience, diversity of skillsets, independent and commitment in the discharge of duties of Ms. Lim Siew Li as Independent and Non-Executive Director of the Company and concluded that Ms. Lim Siew Li possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board and is suitable for re-election as the Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job Title (e.g.) Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Non-Independent Director	Non-Executive Independent Director and a member of Audit & Risk Committee
Professional qualifications	Bachelor of Medicine and Bachelor of Surgery (M.B.B.S) from National University of Singapore	Fellow Chartered Accountant with Institute of Singapore Chartered Accountants
Working experience and occupation(s) during the past 10 years	2013 - 2024: General Practitioner in M Medical Clinic 2024 - present: General Practitioner in Singapura Clinic	March 2025 – Present: Special Advisor - Eu Yan Sang International Limited 2024 - 2025: Chief Financial Officer - WEO Corporation Pte Ltd 2017 - 2023: Group Chief Financial Officer - Eu Yan Sang International Limited 2014 - 2017: Group Financial Director - AI Futtaim Private Co LLC
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil

Disclosure of Information on Directors Seeking Re-Election

	DR. LEE CHU MUK	MS. LIM SIEW LI
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries.	Nephew of Mr. Lee Khin Tien and Mr. Lee Kin Hong (Non-Executive Directors). Cousin of Mr. Lee Chou Hock (Chief Executive Officer), Mr. Lee Chou Hor George (Non-Executive Director and Substantial Shareholder) and Mr. Lee Chou Tart (Substantial Shareholder).	Nil
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments Including Directorships (for the last 5 years)	General Practitioner in Singapore Clinic Present Directorship: 1) Hong Ching Private Limited 2) The Singapore-Johore Express (Private) Limited 3) Aik Siew Tong Limited 4) Melodies Limited - Alternate Director	Present Directorship: 1) The Groud Co, Ltd 2) Sand Art Limited (Cayman Island) 3) RH Petrogas Limited Past Directorship: 1) Eu Yan Sang Holdings Pte Ltd 2) Eu Yan Sang Marketing S Pte Ltd

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “**yes**”, full details must be given.

	MR. YANG WEN-WEI	MR. LEE KHIN TIEN	Dr. LEE CHU MUK	MS. LIM SIEW LI
a) Whether at any time during the last 10 years, an application or petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or any time within 2 years from the date he ceased to be a partner?	No	No	No	No

		MR. YANG WEN-WEI	MR. LEE KHIN TIEN	DR. LEE CHU MUK	MS. LIM SIEW LI
b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or whether that entity is the trustee of a business trust, that business trust, on the group of insolvency?	No	No	No	No
c)	Whether there is any unsatisfied judgement against him?	No	No	No	No
d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No
e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No

Disclosure of Information on Directors Seeking Re-Election

		MR. YANG WEN-WEI	MR. LEE KHIN TIEN	DR. LEE CHU MUK	MS. LIM SIEW LI
f)	Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law of regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No

		MR. YANG WEN-WEI	MR. LEE KHIN TIEN	DR. LEE CHU MUK	MS. LIM SIEW LI
j)	<p>Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-</p> <p>i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p> <p>iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No	No	No
k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No

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HOTEL ROYAL LIMITED

(Co. Reg. No. 196800298G)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING

PROXY FORM

IMPORTANT

1. The Annual General Meeting will be held physically at Hotel Royal, Level 3, Royal Room 1, 36 Newton Road, Singapore 307964. Members have no option to participate virtually.
2. A relevant intermediary may appoint more than two proxies to attend the Annual General Meeting and vote (please see note 2 for the definition of "relevant intermediary").
3. For investors holding shares through a Relevant Intermediary including CPF and SRS investors, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. The investors should contact their respective relevant intermediary, Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies.

I/We, _____ (Name), *NRIC/Passport No./Registration No. _____

of _____ (Address)

being a *member/members of **HOTEL ROYAL LIMITED** (the "Company") hereby appoint:

Name	*NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

and/or (delete as appropriate)

Name	*NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

or failing *him/her, the Chairman of the Meeting, as *my/our proxy/proxies to vote for *me/us on *my/our behalf, at the 56th Annual General Meeting ("AGM") of the Company, to be held physically at the Hotel Royal, Level 3, Royal Room 1, 36 Newton Road, Singapore 307964 on Friday, 25 April 2025 at 2.30 p.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for, against or abstain the Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting is given, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid at the AGM and at any adjournment thereof.

No.	Resolutions	For	Against	Abstain
1.	Adoption of Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 December 2024			
2.	Declaration of First and Final Dividend			
3.	Approval of payment of Directors' Fees			
4.	Re-election of Mr. Yang Wen-Wei as Director			
5.	Re-election of Mr. Lee Khin Tien as Director			
6.	Re-election of Dr. Lee Chu Muk as Director			
7.	Re-election of Ms. Lim Siew Li as Director			
8.	Re-appointment of Messrs Deloitte & Touche LLP as Auditors and authorise the Directors to fix their remuneration			

* Delete where inapplicable

NOTES: All resolutions put to vote at the AGM shall be decided by way of poll. If you wish to exercise all your votes "For" or "Against" or "Abstain" the relevant resolution, please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy, not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this _____ day of _____ 2025

Total Number of Shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)/
and, Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES

1. A member of the Company (other than a Relevant Intermediary) is entitled to appoint not more than two (2) proxies to attend and vote in his/her stead. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
2. A member of the Company who is a Relevant Intermediary entitled to attend and vote at the Annual General Meeting of the Company is entitled to appoint more than two (2) proxies to attend and vote in his/her stead, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares to be represented by each proxy must be stated.

"Relevant Intermediary" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services license to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board ("CPF Board") established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
3. A proxy need not be a member of the Company.
 4. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.
In appointing the Chairman of the Meeting as proxy, a member (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment for that resolution will be treated as invalid.
 5. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholdings (expressed as a percentage of the whole) to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.
 6. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act), he/she should insert that number of shares. If the member has shares registered in his/her name in the Register of Members of the Company, he/she should insert that number of shares. If the member has shares entered against his/her name in the Depository Register and registered in his/her name in the Register of Members, he/she should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all shares held by the member.
 7. The instrument appointing a proxy duly executed must be submitted through any one of the following means by 2:30 p.m. on 22 April 2025, being no later than seventy-two (72) hours before the time for appointed for holding the AGM (or any adjournment thereof) and in default the instrument of proxy shall not be treated as valid:
 - (i) By depositing a physical copy at the registered office of the Company at Hotel Royal Limited, 36 Newton Road, Singapore 307964; or
 - (ii) By sending a scanned PDF copy by email to main@zicoholdings.com.

Members are strongly encouraged to submit completed proxy forms electronically via email.

8. For investors who holds shares of the Company through relevant intermediaries (as defined in Section 181 of the Companies Act), including CPF and SRS Investors:
 - (a) may vote at the AGM if they are appointed as proxies by their respective relevant intermediaries, and should contact their respective relevant intermediaries if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM,
in which case they should approach their relevant intermediaries to submit their votes at least seven (7) working days prior to the date of the AGM.
9. The instrument appointing a proxy or proxies must be under the hand of the appointor or his/her attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorized, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.
10. The Company shall be entitled to reject the instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy or proxies. In addition, in the case of shares entered in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 4 April 2025.



Hotel Royal

L I M I T E D

36 Newton Road Singapore 307964

Fax : +65 6253 8668

Phone : +65 6426 0168

Email : royal@hotelroyal.com.sg

ir@hotelroyal.com.sg

Company Reg. No. 196800298G