

**RESPONSES TO QUESTIONS RECEIVED FROM SECURITIES INVESTORS ASSOCIATION (SINGAPORE) ON THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

**Question 1**

In 2025, the Group reached a milestone of 100 hotels and resorts globally, demonstrating that its multi-brand, multi-market expansion strategy is gaining meaningful traction. This expansion will continue in 2026, with new market entries into the Dominican Republic, Benin and Tanzania.

Within its current network, the Group operates three Banyan Tree properties in the Middle East and three hotels in the Maldives. Both clusters are exposed to the ongoing geopolitical instability in the Middle East, the latter in particular, given its dependence on Dubai as a primary transit hub for international arrivals.

**Question 1(i)**

The Group's three resorts in the Maldives generated combined revenue of US\$45.3 million in 2025. The Banyan Tree properties in Qatar, Saudi Arabia and the UAE are managed properties. How has demand for these properties been affected, and what contingency measures are in place to mitigate any disruption?

**Response:**

The geopolitical instability in the Middle East is expected to impact our Middle East properties by up to a 35% drop from previous year. Whilst the immediate impact of the disruption with the Middle East airspace saw cancellations in Mar and Apr, this trend has stabilized and the Banyan Group hotels have mitigated the impact through an immediate pivot to local and regional travel, and securing large groups from companies seeking safe and serviced environment for their employees. Our properties also have long stay residents who remain with us.

Our Maldivian properties are less impacted, anticipating an immaterial impact to budget. Airlines globally have also increased connectivity via alternative hubs and we see a trend of customers rebooking through alternative hubs to fulfill their planned holidays. Overall, a key strategy has seen immediate pivot to domestic and regional markets anticipating increase in short haul travel.

**Question 1(ii)**

As the Group continues to expand into new markets, how does management incorporate geopolitical risk into its market selection and capital allocation decisions? To what extent has the current operating environment led to changes in expansion priorities, pace of deployment or required return thresholds?

**Response:**

Banyan Group is pivoting towards an asset-right strategy, focusing on hotel management agreements rather than capital-intensive ownership to drive expansion. And now, Banyan Group operates a diversified portfolio across more than 20 countries. As such, there is no significant change to our strategy on hotel management.

**Question 1(iii)**

In Thailand, tourism arrivals have reportedly declined by approximately 7%. How is this affecting the Group's properties in the market, and does management view this as a cyclical slowdown or a more structural shift in demand?

**Response:**

Thailand's 7.2% decline in foreign arrivals in 2025 reflects primarily a cyclical trend with drop in arrivals mainly from China, Hong Kong and South Korea. The cyclical triggers were from the multiple independent events - kidnapping of Chinese celebrity Wang Xing, a major Myanmar earthquake, southern flooding, and a Cambodia border dispute but the market remains resilient. With Banyan Group's strong visibility and brand reputation in the Chinese market, we are seeing some recovery from these markets.

Our Thailand portfolio has also been pursuing a strategy of diversified markets over the past three years and is experiencing benefits from growth in arrivals from Europe, India and South Asian countries.

Thailand is also pivoting towards wellness, culture, and premium experiences, away from volume driven arrivals and the Banyan Group portfolio is seeing the benefit given our strength in these segments.

**Question 2**

As at 31 December 2025, long-term receivables increased by nearly US\$40 million to US\$88.0 million. These trade receivables relate to property sales and are repayable over instalment periods of two to five years, with interest rates ranging from 0% to 7% per annum.

**Question 2(i)**

Can management clarify if it is the usual practice for the Group to provide seller financing to purchasers of branded residences? How are interest rates determined, and what credit assessment framework is applied to underwrite buyers, particularly given the (likely) international nature of the customer base?

**Response:**

Seller financing is akin to deferred payment scheme, and this scheme is offered across all the Group's brands as part of its residences sales strategy but is applied in a disciplined and structured manner as a standard feature for every transaction. Such arrangements are typically extended in markets where third-party mortgage financing for foreign purchasers is limited or restricted, and where structured instalment plans support absorption and pricing objectives without compromising risk discipline.

Deferred payment scheme is generally capped at up to 50% of the purchase price, with buyers required to pay a minimum of 50% upfront prior to the commencement of any instalment arrangement. This ensures purchasers have meaningful equity in the property from the outset and limits the Group's credit exposure. Most importantly, our Group retains ownership of the property until the unit is fully paid.

Interest rates are determined according to prevailing market conditions, project economics, financing tenure and the buyer's risk profile. Instalment tenures generally range from one to five years, with interest rates falling within a market-based range of 3% to 7% per annum, depending on the structure and duration of the financing arrangement.

Buyers are subject to applicable KYC requirements. Risk mitigants such as meaningful upfront deposits, milestone-based payments and defined instalment tenures are applied where appropriate.

### Question 2(ii)

In Note 43(a)(iv) of the Annual Report, the Group states that credit risk on these long-term receivables is low, as the Group retains the right to forfeit monies paid in the event of default where there is no remedy. Can management provide historical data on default rates for such receivables, and how these vary by project, purchase price, buyer profile and geography?

#### Response:

The Group has historically experienced low default rates of approximately 1% on long-term receivables arising from branded residence sales. Defaults have been infrequent and, where they occurred, were typically resolved through payment restructuring or contract termination, with deposits forfeited, thereby limiting financial exposure.

The Group has not observed material concentrations of default risk by project, geography or buyer segment. The buyer profile generally comprises high-net-worth individuals, with substantial upfront deposits paid prior to instalment arrangements, which further reduces credit risk.

Management reviews the collectability of these receivables on an ongoing basis and assesses expected credit losses using payment performance and forward-looking indicators. The Group remains confident that credit risk is well-contained, supported by contractual safeguards and the underlying value of the assets.

Most importantly, our Group retains ownership of the property until the unit is fully paid.

### Question 3

In the five-year financial highlights section on page 18 of the Annual Report, the Company reports a net asset value per share of S\$1.03 as at year-end, representing a 7% increase from S\$0.96 a year ago.

According to SGX StockFacts, the Company's six-month volume weighted average share price is approximately S\$0.63, implying a discount of close to 40% to net asset value. The shares were last traded below S\$0.60 in early April 2026. The year also marks the Company's 20th anniversary since its listing on 14 June 2006.

#### Question 3(i)

What has been the total shareholder return over the past 5, 10, 15 and 20 years?

#### Response:

Period	Start Date	Start Price (S\$)	Current Price (S\$)*	Cumulative Dividends (S\$)	Absolute TSR	Annualised TSR (p.a.)
5 Years	14 Apr 2021	S\$0.350	S\$0.610	S\$0.0385	85.3%	13.1%
10 Years	14 Apr 2016	S\$0.505	S\$0.610	S\$0.0590	32.5%	2.9%
15 Years	14 Apr 2011	S\$0.925	S\$0.610	S\$0.0818	-25.2%	-1.9%
20 Years	14 Jun 2006	S\$0.970	S\$0.610	S\$0.1196	-24.8%	-1.4%

\*Closing price on 13 April 2026.

**Question 3(ii)**

Given the Group's positioning as a branded hospitality platform with a fee-based income model and ongoing expansion, how does the Board assess the reasons for the persistent valuation discount? Is the discount justified, and if not, what specific actions has the Board approved to narrow this gap?

**Response:**

The persistent discount at which the Company's shares trade relative to net asset value reflects structural factors. The Group's consolidated reporting brings together three segments — Hotel Investments, Fee-based Hospitality Management, and Residences — with materially different capital intensity and return profiles. The Group has limited trading of shares mainly due to significant shareholders holding on to the shares for long-term investment purposes.

The current discount does not fully reflect the underlying quality and return profile of the Group's business segments. Management has accordingly been enhancing segmental disclosure, and continued operating and capital discipline to improve market visibility of the Group's differentiated return profiles. In addition, the Group is continuing exploring options and structures to better unlock values for shareholders.

By Order of the Board  
Tan Min Hai Edmund  
Company Secretary  
22 April 2026