

EXTRACT: CLAUSE 11 OF THE SIGNED HOTEL MANAGEMENT AGREEMENT

Qamar Bay, Al Marjan Island, Ras Al Khaimah. Hotel Management Agreement between Bayt Al Najm Holdings LLC (Owner) and Halcyon Hotels & Resorts Management FZ-LLC, signed 18 February 2027, as negotiated from the Operator's draft of 15 November 2026.

Clause 11 is carried without amendment into the agreement between Bayt Al Najm Holdings LLC and Roya Hotel Management, which applies from the takeover on 1 October 2031.

11.1 The Operator shall establish an FF&E Reserve in the name of the Owner and shall transfer to it monthly an amount equal to three per cent (3%) of Total Revenue in each of the first two (2) Operating Years and four per cent (4%) of Total Revenue in the third (3rd) Operating Year and each Operating Year thereafter.

11.2 The Operator may apply the FF&E Reserve to the replacement, renewal and addition of FF&E and to routine capital repairs in accordance with the approved capital expenditure plan. Unused amounts shall be carried forward and remain the property of the Owner.

11.3 Capital expenditure on structural elements and building systems, and any expansion or reconfiguration of the Hotel, shall require the Owner's prior written approval and shall be funded by the Owner.

11.4 **Any single project above AED 500,000 that is not included in the approved capital expenditure plan requires the Owner's prior written approval, whether or not it is to be funded from the FF&E Reserve. The Operator shall submit a written request setting out the scope, cost, funding source, phasing and justification of the project, and the Owner shall respond within thirty (30) days of a complete request. The Operator has no right to require the Owner to provide additional capital.**

11.5 In an emergency endangering life, health or property, the Operator may incur capital expenditure without prior approval to the extent necessary to address the emergency, and shall notify the Owner within two (2) Business Days.

Definition used in clause 11	Meaning (clause 1.1 of the signed agreement)
FF&E	Furniture, fixtures and equipment, soft goods (including bed linen, towels and guestroom curtains), operating equipment of a capital nature, IT hardware and vehicles.
Approved capital expenditure plan	The capital expenditure budget forming part of the approved Annual Budget for the relevant Fiscal Year (1 October to 30 September).