



**HOTEL ROYAL LIMITED**  
(Co. Reg. No. 196800298G)  
(Incorporated in the Republic of Singapore)

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**CESSATION OF OPERATIONS OF HOTEL ROYAL PENANG**

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The Board of Directors (the “**Board**”) of Hotel Royal Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that due to the Covid-19 pandemic, the Group is undergoing an internal group restructuring exercise which will cause the Group to close the hotel operations in Penang.

Along with the closure, the hotel will be conducting a full retrenchment exercise. The restructuring cost will be approximately RM2.5 million (S\$0.8 million) which will be funded by the Group through its internal resources.

Following the retrenchment exercise, the annual saving in payroll and operating costs in 2022 is estimated to be about RM4 million (S\$1.3 million).

The company will update shareholders as and when there are new material development relating to this internal group restructuring exercise.

Shareholders are advised to read this announcement and any further announcements by the Company carefully, and should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubts about the actions they should take.

By Order Of The Board

Company Secretary  
Sin Chee Mei

16 September 2021