



HOTEL ROYAL LIMITED
(Incorporated in the Republic of Singapore)
(Registration No. 196800298G)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 16,800,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$3.00 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

- RESULTS OF THE RIGHTS ISSUE

The board of directors (the “**Directors**”) of Hotel Royal Limited (the “**Company**”) refers to the Company’s announcements dated 11 May 2018, 24 May 2018, 14 June 2018, 26 June 2018 and 28 June 2018 (the “**Announcements**”) and the Offer Information Statement in relation to, *inter alia*, the Rights Issue of up to 16,800,000 Shares in the capital of the Company at an issue price of S\$3.00 for each Rights Share on the basis of one (1) Rights Share for every five (5) Shares in the capital of the Company held by the Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

Unless otherwise defined, capitalised terms used herein shall bear the same meanings as ascribed to in the Announcements.

1. RESULTS OF THE RIGHTS ISSUE

Level of Subscription

Based on the issued share capital of the Company as at the Books Closure Date of 84,000,000 Shares, an aggregate of 16,800,000 Rights Shares were provisionally allotted to Entitled Shareholders, on the basis of one (1) Rights Share for every five (5) Shares, under the Rights Issue. The Directors of the Company wish to announce that, as at the Closing Date for the Rights Issue, valid acceptances and excess applications for a total of 25,724,828 Rights Shares were received (inclusive of an aggregate of 10,137,400 Rights Shares accepted by the Undertaking Shareholders pursuant to the Irrevocable Undertakings). This represents approximately 153.12% of the total number of Rights Shares offered under the Rights Issue.

Details of the valid acceptances and valid excess applications for the Rights Shares are therefore, as follows:

	Number of Rights Shares	As a percentage of the total number of Rights Shares available under the Rights Issue
Valid Acceptance	16,151,155	96.14%
Excess Application	9,573,673	56.99%
Total	25,724,828	153.12%

Allocation of Rights Shares for Excess Applications

A total of 648,845 Rights Shares not taken up by Entitled Shareholders and/or their renounees pursuant to the Rights Issue were allotted to satisfy the excess applications for the Rights Shares.

In compliance with its obligations under the Listing Manual, the Company had, in the allotment of any Excess Rights Shares, given preference to the rounding of odd lots. Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation on the Board (whether direct or through a nominee) ranked last in priority for the rounding of odd lots and allotment of Excess Rights Shares.

Allotment of Rights Shares

In the case of Entitled Shareholders and their renounees (who have furnished valid securities account numbers in the relevant form comprised in the PAL) with valid acceptances of Rights Shares and successful applications for Excess Rights Shares (where applicable), share certificates representing such number of Rights Shares will be sent to CDP within ten (10) Market Days after the Closing Date and the CDP will thereafter credit such number of Rights Shares to their relevant securities accounts. CDP will then send a notification letter to the relevant subscribers by ordinary post, at their own risk, stating the number of Rights Shares that have been credited to their respective securities accounts.

In the case of Entitled Scripholders and their renounees with valid acceptances of Rights Shares and successful applications for Excess Rights Shares (where applicable) and who have, *inter alia*, failed to furnish or furnished incorrect or invalid securities account numbers in the relevant form comprised in the PAL, share certificate(s) representing such number of Rights Shares will be sent by registered post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten (10) Market Days after the Closing Date.

Sale of Nil Paid Rights Relating To Foreign Shareholders

All of the provisional allotments of 33,721 Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders were sold "nil-paid" on the SGX-ST.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed among Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective securities accounts as at the Books Closure Date and sent to them at their own risk by ordinary post. If the amount of net proceeds distributable to any single Foreign Shareholder is less than S\$10.00, such net proceeds will be retained or dealt with as the Directors may, in their absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in connection therewith.

Net Proceeds from the Rights Issue

The Company has raised net proceeds of approximately S\$50.30 million (after deducting estimated expenses of approximately S\$0.10 million) from the Rights Issue. As disclosed in the Offer Information Statement, the Company intends to utilise the net proceeds as follows:

Use of Net Proceeds	Allocation of Net Proceeds (S\$ million)
Repayment of bank borrowings	40.00
General working capital purposes	10.30

Pending deployment of the net proceeds for the purposes mentioned above, the net proceeds may be deposited with banks and/or financial institutions, invested in short-term money

markets and/or marketable securities, as the Directors may deem appropriate in the interests of the Company and its subsidiaries.

2. REFUND AND PAYMENT

Where any acceptance for Rights Shares and/or excess applications is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such applicants without interest or any share of revenue or other benefit arising therefrom within fourteen (14) days after the Closing Date:

- (a) in respect of Entitled Depositors, by crediting their accounts with the relevant Participating Banks (as defined in the Offer Information Statement) at their own risk (if they accept by way of an electronic application), the receipt by such bank being a good discharge to the Company and CDP of their obligations (if any) or by means of a crossed cheque drawn on a bank in Singapore and sent to them by ordinary post and at their own risk to their mailing addresses in Singapore as maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions; or
- (b) in respect of Entitled Scripholders, by means of a crossed cheque drawn on a bank in Singapore and sent to them by ordinary post and at their own risk to their mailing addresses in Singapore as maintained with the Share Registrar.

3. ISSUE AND LISTING OF THE RIGHTS SHARES

The Directors are pleased to announce that an aggregate of 16,800,000 Rights Shares have been allotted and issued on 18 July 2018 pursuant to the Rights Issue, and that the Rights Shares will be credited into the relevant securities account on or about 20 July 2018.

The Rights Shares will, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of issue of the Rights Shares.

The 16,800,000 Rights Shares are expected to be listed and quoted on the Main Board of the SGX-ST with effect from 9.00 a.m. on 20 July 2018 and the trading of the Rights Shares will commence with effect from 9.00 a.m. on the same day. The approval in-principle obtained from the SGX-ST on 23 May 2018 for the dealing in, listing of and quotation of the Rights Shares is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries.

Following the allotment and issuance of the Rights Shares, the number of issued and paid-up Shares in the Company has increased from 84,000,000 to 100,800,000 Shares.

4. TRADING OF ODD LOTS

Shareholders should note that the Shares are quoted on the Main Board of the SGX-ST in board lot sizes of 100 Shares.

Following the Rights Issue, Shareholders who hold odd lots of Shares (i.e. lots other than board lots of 100 Shares) and who wish to trade in odd lots of Shares on the SGX-ST should note that they are able to do so on the Unit Share Market of the SGX-ST. The market for trading of such odd lots may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.

The Company wishes to take this opportunity to thank the Shareholders for their support towards the successful completion of the Rights Issue.

By Order of the Board

Dr Lee Keng Thon
Chairman

18 July 2018