



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 SHARES FOR EVERY FIVE (5) EXISTING ORDINARY SHARES HELD BY THE ENTITLED SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE TO BE DETERMINED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

- RECEIPT OF IN-PRINCIPLE APPROVAL FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The board of directors (the “**Directors**”) of Hotel Royal Limited (the “**Company**”) refers to the Company’s announcement dated 11 May 2018 (the “**Announcement**”) in relation to, *inter alia*, the 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 held by the Shareholders as at a time and date to be determined by the Directors for the purpose of determining the Shareholders’ entitlements under the Rights Issue, fractional entitlements to be disregarded.

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

Further to the Announcement, the Directors of the Company are pleased to announce that the SGX-ST had on 23 May 2018, approved in-principle, the Company’s application for the dealing in, listing of and quotation of up to 16,800,000 Rights Shares on the Mainboard of the SGX-ST, subject to the following:

- (a) compliance with the SGX-ST’s listing requirements; and
- (b) submission of the following documents:
 - (i) a written undertaking from the Company that it will comply with Listing Rules 704(30), 815 and 1207(20) in relation to the use of the proceeds from the Rights Issue and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for working capital in the Company’s announcements on use of proceeds and in the annual report;
 - (ii) a written undertaking from the Company that it will comply with Listing Rule 877(10) with regard to the allotment of any excess Rights Shares; and
 - (iii) a written confirmation from financial institution(s) as required under Listing Rule 877(9) that the Undertaking Shareholders who have given the Irrevocable Undertakings have sufficient financial resources to fulfill their obligations under the Irrevocable Undertakings.

The SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company and/or its subsidiaries.

Shareholders should note that the Company will make further announcements relating to the Rights Issue (including the Books Closure Date and any material developments and progress made) as may be appropriate from time to time.

By Order of the Board

Dr Lee Keng Thon
Chairman

24 May 2018