



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

Minutes of the 57th Annual General Meeting of Hotel Royal Limited (“Company”) held at the Hotel Royal Queens, Royal Ballroom, Level 3, 12 Queen Street, Singapore 188553 on Thursday, 30 April 2026 at 2.30 p.m.

Present

Board of Directors

Mr Yang Wen-Wei – Independent Non-Executive Chairman
Mr Leow Chung Chong Yam Soon Paul – Independent Non-Executive Director
Ms Lim Siew Li – Independent Non-Executive Director
Mr Lee Kin Tien – Non-Executive Director
Mr Lee Kin Hong – Non-Executive Director
Dr Lee Chu Muk – Non-Executive Director
Mr Lee Chou Hor George – Non-Executive Director

Key Management

Mr Lee Chou Hock – Group Chief Executive Officer (“**CEO**”)
Mr Lee Zongye Zach (“**Mr Zach Lee**”) – Group Deputy Chief Executive Officer (“**Deputy CEO**”)
Ms Daphne Yuan – Group Chief Operating Officer
Ms Teow Seok Boey – Group Chief Financial Officer
Ms Lee Si Min – Country General Manager (Singapore)

Shareholders

As per attendance record maintained by the Company

In attendance

As per attendance record maintained by the Company

Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2012, the names of the shareholders and proxies present at the meeting will not be published in these minutes.

Chairman of the Board of Directors, Mr Yang Wen-Wei (“**Mr Yang**” or the “**Chairman**”), chaired the Annual General Meeting (“**AGM**” or the “**Meeting**”). Having noted that a quorum was present, he called the Meeting to order.

He then welcomed all shareholders and attendees present at the Meeting. With the permission of the Meeting, the notice convening the Meeting was taken as read.

The Chairman took the opportunity to introduce the members of the Board of Directors, the Key Management Team, the Company’s Auditor and the Company Secretary who were present at the Meeting.

The Chairman then invited Mr Zach Lee, the Deputy CEO to present on the Group’s financial performance for the financial year ended 31 December 2025. The Deputy CEO accordingly delivered his presentation, providing an overview of the Group’s key financial performance for the financial year ended 2025 and the preceding six (6) years, with reference to information set out in the Company’s Annual Report previously circulated to shareholders on 2 April 2026.

The Chairman informed the Meeting that voting on all seven (7) resolutions tabled at the AGM would be conducted by way of poll pursuant to the Article 71(1) of the Company's Constitution and Rule 730A of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). He then formally demanded a poll in accordance with the Company's Constitution.

Shareholders were also informed that they had been given opportunity to submit questions relating to the AGM agenda in advance via email or post. As of the cut off time at 2:30 p.m. on 11 April 2026, no questions had been received by the Company. Nevertheless, shareholders were invited to raise questions during the Meeting, and the Directors and Management would endeavour to address as many questions as practicable during the Q&A Session.

The Chairman further informed that the poll would be conducted electronically upon the resolutions set out in the Notice of AGM being duly proposed and seconded, and upon conclusion of the Q&A session.

Trusted Services Pte Ltd and CACS Corporate Advisory Pte Ltd were appointed as Polling Agent and Scrutineer, respectively, for the purposes of the poll. A short video presentation explaining the electronic poll voting process was played at the Meeting for shareholders' information.

The Chairman informed the Meeting that voting had commenced and that shareholders could cast their votes during the course of the Meeting. Voting would close fifteen minutes after the conclusion of the Q&A session.

The Chairman then proceeded with the business of the AGM and read out the motions set out in the Notice of AGM, as follows:

Ordinary Resolution 1 was to receive the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Auditors' Report. The Annual Report 2025 had been published on SGXNET and the Company's corporate website.

Ordinary Resolution 2 was to approve the payment of a first and final dividend of 3.0 Singapore cents per ordinary share, one tier tax exempt, for the financial year ended 31 December 2025.

Ordinary Resolution 3 was to approve the payment of Directors' Fees of S\$242,000 for the financial year ended 31 December 2025.

Ordinary Resolution 4 was to approve the re-election of Mr Lee Kin Hong, who retired in accordance with Article 117 of the Company's Constitution, and, being eligible, had offered himself for re-election as a Director of the Company.

Ordinary Resolution 5 was to approve the re-election of Mr Lee Chou Hor George, who retired in accordance with Article 117 of the Company's Constitution, and, being eligible, had offered himself for re-election as a Director of the Company.

Ordinary Resolution 6 was to approve the re-election of Mr. Leow Chung Chong Yam Soon Paul, who retired in accordance with Article 117 of the Company's Constitution, and being eligible, had offered himself for re-election as a Director of the Company. The Board considers Mr Leow Chung Chong Yam Soon Paul to be independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

Ordinary Resolution 7 was to re-appointment of Messrs Deloitte & Touche LLP, who have expressed their willingness to continue in office as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.

The Chairman informed the Meeting that the final item on the agenda was Item 8, being to transact any other ordinary business. He noted that the Company Secretary had confirmed that no notice of any other business to be transacted at the Meeting had been received.

Each motion having been duly proposed and seconded in accordance with the Company's Constitution. Thereafter, the Chairman opened the floor for questions and proceeded with the Q&A session.

A shareholder commented that the Group concluded FY2025 on a strong footing, with all business segments delivering modestly improved performance. He then sought clarification on the refurbishment plan of Hotel Royal Newton property, specifically in relation to the anticipated timeline for completion, estimated capital expenditure requirements, funding strategy and potential operational disruptions during the refurbishment period.

Hotel Royal Newton has recently completed refurbishment works to its rooms and lifts. These initiatives were undertaken with a prudent approach to capital expenditure, with the objective of maintaining service standards and retaining the existing customer base, as management recognises that Hotel Royal Newton remains an important asset within the Group's portfolio.

Mr Zach Lee informed that future plans for the Hotel in Newton is a matter that management is paying close attention to and taking very seriously. The site at Newton represents a significant opportunity for the Company. Management is carefully considering the best way to unlock its value, whether through revenue generation, brand building, or future growth opportunities. The Group is conducting due diligence on the various possibilities, with redevelopment being one of the options under consideration. He further informed that external professional consultants, including an architectural firm, have been engaged to undertake feasibility studies and provide independent assessments, and that these evaluations remain ongoing.

The Group is mindful of balancing any potential long-term benefits against execution risks, including the possible impact on existing operations and revenue streams. With respect to timing, Mr Zach Lee indicated that, based on current expectations, the hotel is expected to continue operating in the ordinary course of business in the near term while such evaluations are being conducted. Any future plans will remain subject to further review, requisite internal approvals, and prevailing market conditions. Mr Zach Lee also highlighted that any potential redevelopment, if pursued, would require careful consideration of operational continuity, financial implications, and workforce planning, particularly in light of the Group's long-serving employees at the hotel.

The shareholder further expressed appreciation to the founding Lee Family for their foresight in establishing the hotel operations in 1961, and acknowledged their contribution in laying the foundation of the business. The shareholder observed that, within the Singapore hospitality landscape, several legacy hotel assets have undergone changes in ownership over time. Against this backdrop, the shareholder highlighted the importance of ensuring the continued relevance and long-term sustainability of the Group's hotel assets. The shareholder further commented on the positioning and external presentation of the Group's flagship hotel, Hotel Royal Newton, noting that enhancements to its façade and overall guest experience could be considered to further strengthen its market appeal and competitiveness. While acknowledging the Group's ongoing rebranding initiatives across other hotels and investments, the shareholders suggested that a more holistic and strategic refresh of Hotel Royal Newton may be beneficial. He encouraged management to consider initiatives aimed at enhancing the hotel's visual identity, guest experience, and overall positioning, with the objective of creating a more distinctive and memorable impression for guests.

Mr Zach Lee responded to the shareholder's comments that, in relation to the comparison with peer companies such as Grand Central Hotel and Hotel Properties Limited, a review of their financial performance over recent years indicates that Hotel Royal Group has performed comparatively better over the corresponding periods. He further stated that the negative characterization of the Hotel's decorations or interiors is subjective, and that it might be more appropriate to judge the Hotel based on its financial performance and online traveller's rankings. He further informed that various strategic options, including divestment, have been evaluated by the management. While divestment was considered, the Group's assessment is that retaining Hotel Royal Newton has more long-term benefits and offers a strong platform for the company to grow. He reiterated that the opportunity to enhance and develop Hotel Royal Newton over time is more beneficial to the Group than pursuing a one-time divestment outcome.

A shareholder referred to the consolidated statement of profit or loss and observed a significant increase in "Other Expenses" which rose from \$108,000 to over \$800,000 during the financial period under review. The shareholder noted that no detailed breakdown was provided within the statement and expressed concern regarding the materiality of the increase. The shareholder further emphasised that, in the interest of transparency and good corporate governance, it would be beneficial for shareholders to be provided with a clearer breakdown of the components comprising "Other Expenses." Clarification was sought as to why these items were not separately disclosed in the notes to the accounts.

In response, Ms Teow Seok Boey, the Group Chief Financial Officer explained that the material components of "Other Expenses" have been disclosed within the Note 28 to the Financial Statements which is in line with applicable financial reporting requirements. She then highlighted the key components of "Other Expenses," which included impairment loss on property, plant and equipment ("PPE") of S\$220,000, net foreign exchange adjustment loss of S\$402,000, allowance for doubtful receivables of S\$159,000, bad debts written off of S\$35,000, and loss on disposal of PPE of S\$12,000. Mr Zach Lee added that the foreign exchange losses primarily relate to translation differences arising from the conversion of foreign currency-denominated balances into Singapore Dollar at the reporting date. These losses mainly are non-cash in nature and do not represent actual cash outflows incurred by the Group during the financial period but rather reflect accounting adjustments due to fluctuations in exchange rates.

A shareholder requested the Company's auditors to confirm whether any hotel maintenance services were procured from businesses owned by Lee Family members or through their personal companies.

In response, Mr Michael Ng explained that they have performed audit procedures in accordance with the auditing standards and that such transactions are disclosed in accordance with applicable accounting standards.. Mr Zach Lee also confirmed that no maintenance services were provided by businesses owned by Lee Family during the financial year under review. All vendor engagements were conducted in accordance with the Group's procurement policies and governance framework.

A shareholder expressed disagreement with the other shareholders' view that the Group should align its strategy with large hotel integrated operators such as Marina Bay Sands or Shangri-La Hotels and Resorts, and instead advocated that the Company maintain its own niche positioning within the tourism sector. She emphasized that the Group could remain commercially sustainable by focusing on revenue generation and prudent cost control, and questioned the rationale of adopting strategies that may result in losses in an attempt to follow industry peers. Reference was made to long-established family-run businesses as examples that have sustained long-term success by maintaining strong fundamentals while evolving gradually over time. The shareholder further encouraged the Company to preserve its core strengths, adapt in a measured manner to changing market conditions, and adopt a long-term strategic outlook supported by successive generations of leadership.

A shareholder commented on the Group's hotel operations and pricing strategy, noting that room rates of Hotel Royal Signature in Kuala Lumpur, Malaysia ("**Hotel Royal Signature**") are not comparable with neighbouring properties and expressing the view that the hotel's positioning as a "five-star" operator may not be fully reflected in market perception. The shareholder stated a preference for established hotel brands such as Shangri-La Hotels and Resorts, citing consistency in quality standards. The shareholder further observed that the hotel market is highly competitive and characterised by oversupply, resulting in generally subdued room rates. Against this backdrop, the Shareholder encouraged Management to focus on strengthening hotel trading performance, including improving room rate achievement and overall yield, with the objective of enhancing returns and recovering prior renovation investments over time. Reference was made to the Group's acquisition of hotel assets at relatively favourable prices, followed by significant renovation expenditure. The shareholder noted that the financial return on such capital expenditure remains to be fully demonstrated prior to the next refurbishment cycle. The shareholder also expressed the view that past maintenance and renovation planning may have been implemented in a less structured manner and encouraged more systematic and forward-looking asset management. In addition, the shareholder highlighted the Group's current leverage position, referring to total borrowings of approximately S\$160 million, and expressed the view that a more cash-generative operation should reduce reliance on debt financing. The shareholder concluded by encouraging Management to review operational performance objectively at each property level to ensure that trading results are aligned with market conditions and support long-term financial sustainability.

The shareholder further commented on the Group's property in Penang, Malaysia, noting that it is located at a strategic junction and has potential as a quality asset. He observed that the hotel component had not been trading well, particularly during the COVID-19 period, during which additional borrowings were undertaken. The shareholder further referred to the adjoining retail component, noting that rental income continues to be collected, with the main tenant being a supermarket operator. He enquired about the carrying value of the Penang property in the Group's books, stated as approximately S\$60 million, and expressed the view that efforts should be made to preserve and recover the value of the asset over time. The shareholder further expressed that Hotel Royal Newton is not optimally positioned and that the existing physical structure does not make efficient use of the land. He noted that the primary value lies in the underlying land of Hotel Royal Newton, while the hotel itself, being relatively old with large room configurations, may not be generating optimal returns compared to more modern designs with smaller, higher-yielding room layouts. He suggested that, if the Group intends to continue operating the property as a hotel, significant reinvestment may be required, including the potential redevelopment of the building, reconfiguration of room offerings, or repositioning of the asset as a higher-tier establishment. In this regard, he proposed the Group could consider engaging external consultants, appointing a third-party operator, or exploring a joint development partnership. He noted that, should the Group elect to retain and operate the property, it is imperative that the hotel be properly maintained, clearly positioned and professionally managed to preserve its competitiveness and value, and that it should not be allowed to deteriorate.

Mr Zach Lee responded that shareholders may not always have visibility of the broader context available to management, who have access to a wider range of operational and financial metrics relating to the hotel. He acknowledged that shareholders may, at times, rely on publicly available indicators such as online room rates as a reference for performance. However, he noted that such indicators represent only a limited perspective and should not be used in isolation as a measure of the hotel's overall performance or success. He added that the Group focuses on several key performance indicators, with gross operating profit being one of the primary measures of concern. Mr Zach Lee further explained that the market rankings and online reviews, including platforms such as TripAdvisor, Google, Agoda, Booking.com, and Trip.com, may vary depending on differing methodologies and perspectives, however, they collectively provide useful external benchmarks. He added that the Group actively monitors and benchmarks its performance against key competitors using such indicators. Mr Zach Lee then referred to Grand Central Hotel and Hotel Properties Limited, noting Hotel Royal Group has been recording increasing profits whereas its competitors have been reporting losses. He further noted that both groups operate under established hotel franchise brands. He added that, notwithstanding differing market perceptions, the financial performance of the respective companies is a matter of public record and should be assessed based on reported financial results. Mr Zach Lee further informed that Hotel Royal Signature is currently ranked number 11 on TripAdvisor among all hotels in Kuala Lumpur.

The shareholder further commented that while lower room rates may improve occupancy and short-term cash inflow, they may also lead to sustained underpricing relative to market benchmarks. In his view, pricing strategy should broadly align with prevailing market rates for comparable four or five-star hotels, as he believed that maintaining market-aligned rates, together with reasonable occupancy levels, would potentially result in stronger overall financial performance than materially discounted pricing.

Mr Zach Lee said that room rates are not the sole driver of profitability. He explained that operational efficiency, cost management and the level of expenditure incurred to generate business also have a material impact on overall financial performance. He cited that significant investment could be made to enhance the physical condition of the properties and potentially support higher room rates. However, such expenditure may not always justify the investment, and it may take a considerable period of time to recover the cost.

A shareholder commented that the minority shareholders' primary focus is on cash generation, noting that this should be a key basis for assessing performance. He commented that, on an aggregated basis, the Group's portfolio of hotels may generate less cash compared to certain individual benchmark properties. The shareholder encouraged a more comprehensive assessment of performance, noting that for a four-star positioning, the property should be able to achieve market-aligned room rates and sustainable occupancy levels, supported where appropriate by ancillary demand drivers such as events. He further highlighted that a well-performing hotel should generate a meaningful proportion of non-room revenue, which in some cases may account for up to approximately 40% of total revenue. In his view, weaker performance in this area may indicate under utilisation of key facilities, including ballrooms, restaurants, and meeting rooms, and should be assessed against relevant industry benchmarks. The shareholder suggested that the Group should look to sell its underperforming assets such as Hotel Royal Penang and Grand Complex Properties.

Mr Zach Lee then updated that the Company has been exploring to exit the Penang and New Zealand market, and has been marketing the two properties for sale for the past two years. However, the Company has not received any suitable offers to date. The New Zealand real estate market has been particularly quiet with only two notable transactions during the period. The Group intends to exit the investment when a suitable opportunity arises. He further informed that the Company recently leased out the Hotel Royal Penang building on a long-term basis to another hotel operator at an attractive yield. The lease was entered into as a considered strategic decision, which provides the Group with a stable and attractive rental income stream while maintaining control of the freehold land.

A shareholder commented that consideration of a franchising model may require greater openness to change and adaptation of existing operating approaches. He noted that potential interest from well-capitalised investors in exploring opportunities, including joint ventures, to redevelop existing hotel assets and enhance value. He suggested that the Group may wish to assess strategic opportunities, including redevelopment or asset enhancement initiatives, in light of prevailing geopolitical and market uncertainties. The shareholder expressed the view that a portfolio review could help identify opportunities to unlock value when appropriate conditions arise, rather than maintaining the status quo.

The Chairman thanked the shareholders for their questions and comments and took note of the feedback received. There being no further questions, shareholders and their proxies were invited to proceed with electronic voting, which would close at 4:00 p.m. The electronic polling process for all resolutions then commenced, and shareholders were given adequate time to submit and finalise their votes.

After closure of the poll, the Chairman informed the Meeting that the poll results had been counted and verified by the Polling Agent and Scrutineer. The results were then presented to the Meeting and the Chairman proceeded to announce the outcome of the poll as follows:

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
		Number of shares	(%)	Number of shares	(%)
Resolution 1 Adoption of Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 December 2025	90,613,844	90,613,844	100.00	0	0.00
Resolution 2 Approval of First and Final One-Tier Tax Exempt Dividend of 3.0 cents per ordinary share for the financial year ended 31 December 2025	90,612,794	90,612,794	100.00	0	0.00

Resolution number and details	Total number of shares represented by votes for and against the relevant resolution	FOR		AGAINST	
		Number of shares	(%)	Number of shares	(%)
Resolution 3 Approval of payment of Directors' Fees of S\$242,000 for the financial year ended 31 December 2025	90,142,694	90,142,694	100.00	0	0.00
Resolution 4 Re-election of Mr Lee Kin Hong as Director of the Company	90,147,694	90,087,294	99.93	60,400	0.07
Resolution 5 Re-election of Mr Lee Chou Hor George as Director of the Company	90,147,694	90,087,294	99.93	60,400	0.07
Resolution 6 Re-election of Mr Leow Chung Chong Yam Soon Paul as Director of the Company	90,147,694	90,147,694	100.00	0	0.00
Resolution 7 Re-appointment of Messrs Deloitte & Touche LLP as Auditors and authorize the Directors to fix their remuneration	90,608,794	90,178,394	99.52	430,400	0.48

Based on the results of the poll, the Chairman declared that Ordinary Resolutions 1 to 7 were duly carried. It was therefore resolved as follows:

Resolution 1

THAT the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Auditors' Report, be received and adopted.

Resolution 2

THAT the payment of a first and final dividend of 3.0 Singapore cents per ordinary share, one-tier tax exempt, for the year ended 31 December 2025 be approved.

Resolution 3

THAT the payment of Directors' Fees in the amount of S\$242,000 for the financial year ended 31 December 2025 be and is hereby approved.

Resolution 4

THAT Mr Lee Kin Hong, who retired pursuant to Article 117 of the Company's Constitution, being eligible and having offered himself for re-election, be and is hereby re-elected as Director of the Company.

Resolution 5

THAT Mr Lee Chou Hor George, who retired pursuant to Article 117 of the Company's Constitution, being eligible and having offered himself for re-election, be and is hereby re-elected as Director of the Company.

Resolution 6

THAT Mr. Leow Chung Chong Yam Soon Paul, who retired pursuant to Article 117 of the Company's Constitution, being eligible and having offered himself for re-election, be and is hereby re-elected as Director of the Company.

Resolution 7

THAT Messrs Deloitte & Touche LLP, who have expressed their willingness to continue in office, be and is hereby re-appointed as Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.

CONCLUSION

There being no further business to discuss, the Chairman declared the meeting closed at 4:10 p.m. The Chairman expressed his gratitude to all attendees for their presence and participation in the meeting and extended an invitation to join for refreshments.

Confirmed as a correct record of
the proceedings of the Meeting,

YANG WEN-WEI

Chairman

Notes:

1. The summary of questions raised by shareholders and the responses provided by the Directors and the Management at the AGM are recorded in these minutes. Where questions overlapped or were closely related, they have been consolidated and rephrased for clarity.
2. The results of the poll on all the resolutions put to the Annual General Meeting were announced to the Singapore Exchange Securities Trading Limited via SGXNet on 30 April 2026. Please click on the link below for details of the poll results
[HRL_Ann - Results of AGM FY2025.ashx](#)