



## **HOTEL ROYAL LIMITED**

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

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### **INTERESTED PERSON TRANSACTION JOINT RE-DEVELOPMENT WITH INTERESTED PERSONS**

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Further to the announcements made on 21 January 2010 and 28 January 2010 that Hotel Royal Limited (the "Company") had entered into an Agreement with Melodies Limited ("Melodies") whereby both parties agreed to jointly re-develop the land of Star Mansions, now known as Royal Residences, located at Lot 794C and 795M, TS 28, 1A Surrey Road, Singapore (the "Land" or "Property") into a residential development comprising 11 apartment units (the "Proposed Transaction"). Dr Lee Keng Thon, Mr Lee Khin Tien and Lee Kin Hong are directors of the Company and Melodies, and 83.4% of issued share capital of Melodies is held by Aik Siew Tong Limited. Aik Siew Tong Limited is a company incorporated in Singapore and is 100% held by Dr Lee Keng Thon, Mr Lee Khin Tien, Mr Lee Kin Hong (all three are directors of the Company) and their family members.

The Company has now increased its share from 87.5% to 91.63% while Melodies's share has decreased from 12.5% to 8.37% correspondingly. Arising from the exercise, the Company shall purchase 3.41% of the total re-development from Melodies at a total consideration of S\$1,403,488/-, pursuant to the partition agreement entered between the Company and Melodies on 21 January 2010 (the "Partition Agreement").

After the purchase, the Company holds 10 out of 11 units of the re-development and Melodies holds 1 unit.

#### **STATEMENT OF AUDIT AND RISK COMMITTEE**

The terms of the Partition Agreement and the consideration of S\$1,403,488 have been reviewed and approved by the Audit and Risk Committee of the Company. They were of the view that the entry of the Partition Agreement was carried out on normal commercial terms and not prejudicial to the interests of the Company and its minority shareholders.

#### **INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save as disclosed above, none of the other Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Transaction.

By Order Of The Board

Lee Keng Thon  
Chairman

4 April 2014