

OFFER INFORMATION STATEMENT DATED 15 NOVEMBER 2022
(Lodged with the Monetary Authority of Singapore on 15 November 2022)

THIS DOCUMENT IS IMPORTANT. BEFORE MAKING ANY INVESTMENT IN THE SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BEING OFFERED, YOU SHOULD CONSIDER THE INFORMATION PROVIDED IN THIS DOCUMENT CAREFULLY, AND CONSIDER WHETHER YOU UNDERSTAND WHAT IS DESCRIBED IN THIS DOCUMENT. YOU SHOULD ALSO CONSIDER WHETHER AN INVESTMENT IN THE SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BEING OFFERED IS SUITABLE FOR YOU, TAKING INTO ACCOUNT YOUR INVESTMENT OBJECTIVES AND RISK APPETITE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

A copy of this offer information statement ("**Offer Information Statement**"), together with copies of the Provisional Allotment Letter (the "**PAL**"), the Application Form for Rights Shares and Excess Rights Shares (the "**ARE**") and the Application Form for Rights Shares (the "**ARS**"), issued by Hotel Royal Limited (the "**Company**") have been lodged with the Monetary Authority of Singapore (the "**Authority**"). The Authority assumes no responsibility for the contents of this Offer Information Statement, the PAL, the ARE and the ARS. Lodgment of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act 2001 of Singapore, or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Rights Shares (as defined herein) being offered for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the listing of and quotation for the Rights Shares on the Official List of the Main Board of the SGX-ST (as defined herein). The Rights Shares will be admitted to the Official List of the Main Board of the SGX-ST and the official listing of and quotation for the Rights Shares will commence after all certificates relating thereto have been issued and the notification letters from The Central Depository (Pte) Limited ("**CDP**") have been despatched.

The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained or opinions expressed herein. Approval in-principle granted by the SGX-ST for admission to the Official List of the Main Board of the SGX-ST and the listing of and quotation for the Rights Shares is in no way reflective of and is not to be taken as an indication of the merits of the Company, its subsidiaries, the Rights Issue (as defined herein), the Rights Shares or the Shares (as defined herein).

This Offer Information Statement may not be sent to any person or any jurisdiction in which it would not be permissible to deliver the Rights and the Rights Shares or make an offer of the Rights and the Rights Shares, and the Rights and the Rights Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, to any such person or in any such jurisdiction. Persons to whom a copy of this Offer Information Statement has been issued shall not circulate to any other person, reproduce or otherwise distribute or disseminate this Offer Information Statement or any information herein for any purpose whatsoever nor permit or cause the same to occur.

The electronic dissemination of this Offer Information Statement and the distribution of the OIS Notification Letter (as defined herein) and its accompanying documents and/or the transfer of the Rights and the Rights Shares into jurisdictions other than Singapore may be prohibited or restricted by law. Persons having access to the electronic version of this Offer Information Statement and/or possession of the OIS Notification Letter and its accompanying documents should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

In accordance with the Securities and Futures (Offers of Investments) (Temporary Exemption from Sections 277(1)(c) and 305B(1)(b)) Regulations 2020, printed copies of the Offer Information Statement will NOT be despatched to any person. Printed copies of the ARE and the ARS, in the case of Entitled Depositors and Purchasers (each as defined herein) respectively, and the PAL, in the case of Entitled Scripholders (as defined herein), and the OIS Notification Letter containing instructions on how Entitled Shareholders (as defined herein) can access this Offer Information Statement electronically, will be despatched to Entitled Shareholders.

Please refer to the sections "*Offering, Selling and Transfer Restrictions*" and "*Eligibility of Shareholders to Participate in the Rights Issue*".

No Rights Shares shall be allotted or allocated on the basis of this Offer Information Statement later than six (6) months after the date of lodgement of this Offer Information Statement.



HOTEL ROYAL LIMITED

(Incorporated in the Republic of Singapore on 11 July 1968)
(Company Registration Number 196800298G)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 20,160,000 NEW ORDINARY SHARES ("RIGHTS SHARES") IN THE CAPITAL OF THE COMPANY AT AN ISSUE PRICE OF S\$2.00 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) EXISTING ORDINARY SHARES HELD BY THE ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) OF THE COMPANY AS AT THE RECORD DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED ("RIGHTS ISSUE")

IMPORTANT DATES AND TIMES:

| | | |
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| Last date and time for splitting and trading of rights | : | 25 November 2022 at 5.00 p.m. |
| Last date and time for acceptance and payment* | : | 1 December 2022 at 5.30 p.m. |
| Last date and time for renunciation and payment | : | 1 December 2022 at 5.30 p.m. |
| Last date and time for excess application and payment* | : | 1 December 2022 at 5.30 p.m. |

* The last date and time for acceptance and/or excess application and payment through an ATM of a Participating Bank or an Accepted Electronic Service (as defined herein) is 1 December 2022 at 9.30 p.m..

IMPORTANT NOTICE

Capitalised terms used below which are not otherwise defined herein shall have the same meanings as ascribed to them under the "Definitions" section of this Offer Information Statement.

For Entitled Depositors, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of Electronic Application at any ATM of a Participating Bank or an Accepted Electronic Service.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar of the Company, B.A.C.S. Private Limited.

CPFIS Members, SRS Investors and investors who hold Shares through a finance company and/or Depository Agent should refer to the section "*Important Notice to (A) CPFIS Members, (B) SRS Investors and (C) Investors who hold Shares through a Finance Company and/or Depository Agent*" for important details relating to the offer procedure for them.

The existing Shares are quoted on the Official List of the Main Board of the SGX-ST.

Persons wishing to purchase the provisional allotments of the Rights Shares or subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so purchase or subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position, performance and prospects of the Company and the Group, and the rights and liabilities attaching to the provisional allotments and Rights Shares. They should rely, and shall be deemed to have relied, on their own independent enquiries and investigations of the assets and liabilities, profits and losses, financial position and performance, and prospects of the Company and the Group, as well as any bases and assumptions upon which financial projections, if any, are made or based, and their own appraisal and determination of the merits of investing in the Company and the Group. Persons in doubt as to the action they should take should consult their business, financial, legal, tax or other professional adviser before deciding whether to participate in the Rights Issue.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue or the issue of the Rights Shares, and if given or made, such information or representations must not be relied upon as having been authorised by the Company or the Group. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future financial condition, performance, prospects or policies of the Company or the Group. Neither the delivery or dissemination of this Offer Information Statement nor the issue of the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. All Entitled Shareholders and their renounees and Purchasers should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes.

The Company makes no representation to any person regarding the legality of an investment in the provisional allotments of the Rights Shares, Rights Shares and/or the Shares, by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered as business, financial, legal or tax advice.

Nothing in this Offer Information Statement or the accompanying documents shall be construed as a recommendation to accept or purchase the provisional allotments of the Rights Shares, Rights Shares or the Shares.

IMPORTANT NOTICE

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue, and may not be relied upon by any persons (other than Entitled Shareholders to whom it is despatched or disseminated by the Company, their renounees and Purchasers) or for any other purpose.

This Offer Information Statement, including the PAL, the ARE and the ARS, may not be used for the purpose of, and do not constitute an offer, invitation or solicitation by or on behalf of the Company to subscribe for any Rights Shares and/or may not be used for the purpose of, and do not constitute an offer, invitation or solicitation to anyone in any jurisdiction or under any circumstances in which such offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The electronic dissemination of this Offer Information Statement and the distribution of the OIS Notification Letter and/or its accompanying documents and the purchase, exercise of or subscription for the “nil-paid” rights and the Rights Shares may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Entitled Shareholders or any other person having access to this Offer Information Statement and/or possession of the OIS Notification Letter and its accompanying documents are advised by the Company to inform themselves of and observe such prohibitions and restrictions at their own expense and without liability to the Company. Please refer to the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” of this Offer Information Statement for further information.

Notification under Section 309B of the SFA: The provisional allotments of Rights Shares and the Rights Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

IMPORTANT NOTICE TO (A) CPFIS MEMBERS, (B) SRS INVESTORS AND (C) INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT

For CPFIS Members, SRS Investors and investors who hold Shares through finance companies or Depository Agents, acceptances of the provisional allotments of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their respective approved CPF Agent Banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS accounts, and their respective finance companies or Depository Agents, respectively.

ANY ACCEPTANCE AND/OR (IF APPLICABLE) APPLICATION MADE DIRECTLY BY THE ABOVE-MENTIONED PERSONS THROUGH CDP, ELECTRONIC APPLICATIONS THROUGH ATMS OF THE PARTICIPATING BANKS OR AN ACCEPTED ELECTRONIC SERVICE, THE SHARE REGISTRAR AND/OR THE COMPANY WILL BE REJECTED.

The above-mentioned persons, where applicable, will receive notification letter(s) from their respective approved CPF Agent Banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS Accounts, and their respective finance companies or Depository Agents, as the case may be, and should refer to such notification letter(s) for details of the last date and time to submit acceptances of the provisional allotments of the Rights Shares and (if applicable) applications for Excess Rights Shares to their respective approved CPF Agent Banks with whom they hold their CPF Investment Accounts, their respective SRS Approved Banks with whom they hold their SRS Accounts, and their respective finance companies or Depository Agents, as the case may be.

(i) Use of CPF Funds

CPFIS Members can only use, subject to applicable CPF rules and regulations, moneys standing to the credit of their respective CPF Investment Accounts to pay for the acceptance of their Rights and (if applicable) application for Excess Rights Shares.

Such CPFIS Members who wish to accept their provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares using their CPF Funds must have sufficient funds in their CPF Investment Accounts and will need to instruct their respective approved CPF Agent Banks with whom they hold their CPF Investment Accounts, to accept the provisional allotments of the Rights Shares and (if applicable) apply for excess Rights Shares on their behalf in accordance with this Offer Information Statement.

In the case of insufficient CPF Funds or stock limit, CPFIS Members could top-up cash into their CPF Investment Accounts before instructing their respective approved CPF Agent Banks to accept their provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf. CPF Funds cannot, however, be used for the purchase of provisional allotments of the Rights Shares directly from the market.

(ii) Use of SRS Funds

SRS Investors can only use, subject to applicable SRS rules and regulations, moneys standing to the credit of their respective SRS accounts to pay for the acceptance of their provisional allotments of the Rights Shares and (if applicable) application for excess Rights Shares.

Such SRS Investors who wish to accept their provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares using SRS moneys will need to instruct their respective SRS Approved Banks with whom they hold their SRS accounts to accept the provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

SRS Investors who have insufficient funds in their SRS accounts could, subject to the SRS contribution cap, deposit cash into their SRS accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept the provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf.

IMPORTANT NOTICE TO (A) CPFIS MEMBERS, (B) SRS INVESTORS AND (C) INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT

SRS Investors are advised to provide their respective SRS Approved Banks with the appropriate instructions no later than the deadlines set by their respective SRS Approved Banks in order for their respective SRS Approved Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or (if applicable) application made directly through CDP, Electronic Applications through ATMs of the Participating Banks or an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

For the avoidance of doubt, SRS moneys cannot, however, be used for the purchase of provisional allotments of the Rights Shares directly from the market.

(iii) Holdings through a Finance Company and/or Depository Agent

Investors who hold Shares through a finance company and/or Depository Agent will need to instruct their respective finance company and/or Depository Agent to accept the provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement.

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CORPORATE INFORMATION

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| BOARD OF DIRECTORS | : | Yang Wen-Wei Dr Tan Kim Song Lee Khin Tien Lee Kin Hong Dr Lee Chu Muk Lee Chou Hor George |
| JOINT COMPANY SECRETARIES | : | Sin Chee Mei (Ms) Wong Siew Choo (Mrs) |
| REGISTERED OFFICE | : | 36 Newton Road Singapore 307964 |
| SHARE REGISTRAR | : | B.A.C.S. Private Limited 77 Robinson Road #06-03 Robinson 77 Singapore 068896 |
| LEGAL ADVISER TO THE RIGHTS ISSUE | : | Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624 |
| AUDITORS | : | Deloitte & Touche LLP Public Accountants and Chartered Accountants Singapore 6 Shenton Way #33-00 OUE Downtown 2 Singapore 068809 |

DEFINITIONS

For the purposes of this Offer Information Statement, the PAL, the ARE and the ARS, the following terms shall, unless the context otherwise requires or unless otherwise stated, have the following meanings:

Companies within the Group

- “Company” : Hotel Royal Limited
- “Group” : The Company and its subsidiaries collectively

Other Companies, Organisations and Agencies

- “1H2022” : Half year ended 30 June 2022
- “Authority” : The Monetary Authority of Singapore
- “CDP” : The Central Depository (Pte) Limited
- “CPF” : Central Provident Fund
- “CPF Agent Bank” : Any bank appointed by CPF to be a bank under the Central Provident Fund (Investment Schemes) Regulations
- “Participating Banks” : The banks appointed for the purpose of electronic applications for the Rights Shares which are United Overseas Bank Limited, DBS Bank Ltd (including POSB) and Oversea-Chinese Banking Corporation Limited
- “SGX-ST” : Singapore Exchange Securities Trading Limited
- “Share Registrar” : B.A.C.S. Private Limited

General

- “Accepted Electronic Service” : Has the meaning given to it in paragraph 1.3 of Appendix I to this Offer Information Statement
- “ARE” : Application and acceptance form for Rights Shares and Excess Rights Shares issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
- “ARS” : Application form for acceptance of Rights Shares issued to Purchasers of the provisional allotments of Rights Shares under the Rights Issue traded on the SGX-ST through the book-entry (scripless) settlement system
- “ATM” : Automated teller machine
- “Board of Directors” : The board of directors of the Company as at the date of this Offer Information Statement
- “Closing Date” : 5.30 p.m. on 1 December 2022, being the last date and time for acceptance of and/or excess application and payment and renunciation and payment of the Rights Shares under the Rights Issue through CDP or the Share Registrar; or 9.30 p.m. on 1 December 2022, being the last time and date for acceptance and/or excess application and payment of the Rights Issue through an ATM of a Participating Bank or an Accepted Electronic Service

DEFINITIONS

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| “Code” | : | The Singapore Code on Take-overs and Mergers, as may be amended, modified or supplemented from time to time |
| “Companies Act” | : | The Companies Act 1967 of Singapore, as may be amended or modified from time to time |
| “CPF Funds” | : | Has the meaning ascribed to it in the section entitled “Important Notes” of this Offer Information Statement |
| “CPFIS” | : | Central Provident Fund Investment Scheme |
| “CPFIS Members” | : | Investors who had bought Shares under the CPFIS – Ordinary Account |
| “Directors” | : | Directors of the Company as at the date of this Offer Information Statement |
| “Electronic Application” | : | Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM of one of the Participating Banks or an Accepted Electronic Service in accordance with the terms and conditions of this Offer Information Statement |
| “Entitled Depositors” | : | Shareholders with Shares standing to the credit of their Securities Accounts as at the Record Date and whose registered addresses with CDP are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided CDP with addresses in Singapore for the service of notices and documents |
| “Entitled Scripholders” | : | Shareholders whose share certificates are not deposited with CDP and persons who have tendered to the Share Registrar valid transfer of their Shares and the certificates relating thereto for registration up to the Record Date and whose registered addresses with the Share Registrar are in Singapore as at the Record Date or who have, at least three (3) Market Days prior to the Record Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents |
| “Entitled Shareholders” | : | Entitled Depositors and Entitled Scripholders, collectively |
| “Excess Rights Shares” | : | The provisional allotments of Rights Shares which are not taken up as at the close of the Rights Issue, and which may be applied and subscribed for by Entitled Shareholders which are in excess of the number of Rights Shares provisionally allotted to such Entitled Shareholders |
| “Existing Share Capital” | : | The existing share capital of the Company comprising 100,800,000 Shares |
| “Foreign Shareholders” | : | Shareholders whose registered addresses are outside Singapore as at the Record Date and who had not, at least three (3) Market Days prior to the Record Date, provided CDP or the Company, as the case may be, with addresses in Singapore for the service of notices or documents |

DEFINITIONS

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| “FY” | : | Financial year ended or ending 31 December, as the case may be, unless otherwise stated |
| “Irrevocable Undertaking” | : | Irrevocable undertaking dated 11 October 2022 which had been given by the Undertaking Shareholders to the Company to collectively, <i>inter alia</i> , (i) subscribe and/or procure the subscription and payment for the whole of their entitlements under the Rights Issue of an aggregate of 12,164,880 Rights Shares at an issue price of S\$2.00 each, which amounts to approximately S\$24.3 million and (ii) ensure that none of the Shares that they own or control as at the date of the Irrevocable Undertaking are disposed of during the period between the date of the Irrevocable Undertaking and the date of issue of the Rights Shares |
| “Issue Price” | : | The issue price of the Rights Shares, being S\$2.00 for each Rights Share |
| “Last Traded Price” | : | The closing market price of S\$2.89 per Share on 4 October 2022, being the last Market Day on which the Shares on the Official List of the Main Board of the SGX-ST were traded prior to the date of announcement of the Rights Issue |
| “Latest Practicable Date” | : | 9 November 2022, being the latest practicable date prior to the date of lodgement of this Offer Information Statement with the Authority |
| “Listing Manual” | : | Listing Manual of the SGX-ST, as amended, modified or supplemented from time to time |
| “Market Day” | : | A day on which the SGX-ST is open for trading in securities |
| “Maximum Subscription Scenario” | : | The scenario where it is assumed that pursuant to the Rights Issue, all the Rights Shares will be fully subscribed and an aggregate of 20,160,000 Rights Shares will be issued |
| “Minimum Subscription Scenario” | : | The scenario where it is assumed that the Rights Issue is completed with the subscription only by the Undertaking Shareholders (and no other Entitled Shareholders) of all the 12,164,880 Rights Shares that the Undertaking Shareholders are entitled to subscribe for under the Rights Issue |
| “NAV” | : | Net assets value |
| “Offer Information Statement” | : | This offer information statement including (where the context requires) the PAL, the ARE, the ARS and all other accompanying documents, including any supplement or replacement documents which may be issued by the Company and lodged with the Authority in connection with the Rights Issue |
| “OIS Notification Letter” | : | The notification letter to be issued to Entitled Shareholders and Purchasers containing, among others, instructions on how to view, download and print the electronic version of this Offer Information Statement |

DEFINITIONS

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| “PAL” | : | The provisional allotment letter issued to Entitled Scripholders, setting out the provisional allotments of Rights Shares of such Entitled Scripholders |
| “Purchasers” | : | Purchasers of the provisional allotments of Rights Shares traded on the Official List of the Main Board of the SGX-ST through the book entry (scripless) settlement system |
| “Record Date” | : | 5.00 p.m. on 14 November 2022, being the time and date at and on which the Register of Members and the Share Transfer Books of the Company will be closed to determine the provisional allotments of Rights Shares of Entitled Shareholders under the Rights Issue |
| “Rights Issue” | : | Renounceable non-underwritten rights issue by the Company on the terms and conditions of this Offer Information Statement of up to 20,160,000 Rights Shares at the Issue Price on the basis of one (1) Rights Share for every five (5) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded |
| “Rights Mailing Address” | : | Has the meaning ascribed to it in the section entitled “Eligibility of Shareholders to Participate in the Rights Issue” in the Offer Information Statement |
| “Rights Shares” | : | Up to 20,160,000 new Shares to be allotted and issued by the Company pursuant to the Rights Issue |
| “Securities Account” | : | Securities account maintained by a Depositor with CDP but does not include a securities sub-account |
| “SFA” | : | Securities and Futures Act 2001 of Singapore, as amended or modified from time to time |
| “Shareholders” | : | Registered holders of Shares in the register of Members of the Company or, where CDP is the registered holder, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors who have Shares entered against their names in the Depository Register maintained by CDP and into whose Securities Accounts those Shares are credited. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts |
| “Shares” | : | Ordinary shares in the capital of the Company |
| “SRS” | : | The Supplementary Retirement Scheme constituted under the Income Tax (Supplementary Retirement Scheme) Regulations 2003 |
| “SRS Account” | : | An account opened by a member under the SRS with the relevant approved bank |
| “SRS Approved Banks” | : | Approved banks in which SRS Members hold their SRS Accounts under the SRS |

DEFINITIONS

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| “SRS Funds” | : | Moneys standing to the credit of the SRS Accounts of SRS Members under the SRS |
| “SRS Members” | : | Members under the SRS |
| “Substantial Shareholder” | : | A substantial shareholder of the Company as defined under Section 81 of the Companies Act |
| “Undertaking Shareholders” | : | Aik Siew Tong Ltd, Hock Tart Pte Ltd, Asia Building Bhd, Melodies Limited, The Singapore-Johore Express (Private) Limited and Chip Keng Holding Bhd. |

Currencies, Units and Others

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| “NZD” | : | New Zealand Dollar |
| “RM” | : | Malaysian Ringgit |
| “S\$” or “SGD” and “cents” | : | Singapore dollars and cents respectively |
| “USD” | : | United States Dollar |
| “%” or “per cent” | : | Per centum or percentage |

The term “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them in Section 81SF of the SFA.

The term “**subsidiary**” shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall, where applicable, include corporations.

Any reference to the time of day in this Offer Information Statement, the PAL, the ARE and the ARS shall be a reference to Singapore time unless otherwise stated. Any reference to a date and/or time in this Offer Information Statement, the PAL, the ARE and the ARS in relation to the Rights Issue (including but not limited to the Closing Date and the last dates and times for acceptance and payment, renunciation and payment, and excess application and payment) shall include such other dates(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

Any reference in this Offer Information Statement, the PAL, the ARE and the ARS to any enactment is a reference to that enactment for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA or the Listing Manual or such statutory modification thereof and used in this Offer Information Statement shall, where applicable, have the meaning ascribed to it under the Companies Act, SFA, or the Listing Manual or such statutory modification thereof, as the case may be, unless otherwise provided.

The headings in this Offer Information Statement are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

Any discrepancies in the tables in this Offer Information Statement between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

(a) **ENTITLED SHAREHOLDERS**

In order to be eligible for the Rights Issue, a Shareholder must be an Entitled Shareholder, and not be a person to whom it is unlawful to send this Offer Information Statement or make an invitation under the Rights Issue.

All questions as to the eligibility of any person to participate in the Rights Issue, subscribe and/or apply for the Rights Shares and as to the validity, form and eligibility (including time of receipt) of any ARE, ARS or PAL are determined by the Company in its sole discretion. The Company's determination as to whether a person is an Entitled Shareholder and as to whether or when an ARE, ARS or PAL is received, whether it is duly completed or whether acceptance is validly revoked shall be final and binding.

Entitled Shareholders are entitled to participate in the Rights Issue, access and download this Offer Information Statement from the SGX-ST's website <http://www.sgx.com> or the Company's website at <https://hotelroyal.listedcompany.com/circular.html>, and to receive this OIS Notification Letter together with the ARE or PAL, as the case may be, and other accompanying documents at their respective Singapore addresses.

Entitled Depositors who do not receive the OIS Notification Letter and/or the ARE may obtain them from CDP or the Share Registrar for the period up to the Closing Date of the Rights Issue. Entitled Scripholders who do not receive the OIS Notification Letter and the PAL may obtain them from the Share Registrar for the period up to the Closing Date.

Entitled Shareholders will be provisionally allotted the Rights Shares under the Rights Issue on the basis of their shareholdings as at the Record Date. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or (in the case of Entitled Depositors) trade their provisional allotments of Rights Shares on the SGX-ST during the rights trading period prescribed by the SGX-ST and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

All dealings in, and transactions of, the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs, which will be issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on the SGX-ST.

Entitled Depositors who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares may only do so through the CDP and/or by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service. Entitled Scripholders who wish to accept their provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares may only do so through the Share Registrar. For investors who hold Shares through a finance company, Depository Agent or CPF Agent Bank, the acceptance and subscription of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through the respective finance company, Depository Agent or CPF Agent Bank. Any acceptance and/or application by such investors to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares made directly through CDP, the Share Registrar, the Company and/or by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service will be rejected.

CPFIS Members can only use, subject to applicable CPF rules and regulations, their CPF Funds for the payment of the Issue Price to subscribe for the Rights Shares. CPFIS Members who wish to accept their provisional allotments of the Rights Shares and (if applicable) apply for Excess Rights Shares using CPF Funds will need to instruct the respective CPF Agent Banks, where such CPFIS Members hold their CPF Investment Accounts, to accept the Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. In the case of insufficient CPF Funds or stock limit, CPFIS Members can top-up cash into their CPF Investment Accounts before instructing their respective CPF Agent Banks to accept the Rights Shares and (if applicable) apply for Excess Rights Shares. CPFIS Members are advised to provide

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

their respective CPF Agent Banks with the appropriate instructions early in order for their CPF Agent Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and/or application made directly through CDP, Electronic Applications through an ATM of a Participating Bank or an Accepted Electronic Service, the Share Registrar and/or the Company will be rejected. CPF Funds may not, however, be used for the purchase of the provisional allotments of the Rights Shares directly from the market.

For SRS Members who have subscribed for or purchased Shares under the SRS, subject to applicable SRS rules and regulations, they must use SRS Funds to pay for the acceptance of their entitlements to the Rights Shares and (if applicable) excess applications. SRS Members who wish to accept their Rights Shares and (if applicable) apply for Excess Rights Shares using SRS Funds must instruct the relevant SRS Approved Banks to accept their Rights Shares and (if applicable) apply for Excess Rights Shares on their behalf in accordance with this Offer Information Statement. SRS Members who have insufficient funds in their SRS Accounts may, subject to the SRS contribution cap, deposit cash into their SRS Accounts with their respective SRS Approved Banks before instructing their respective SRS Approved Banks to accept their Rights Shares and (if applicable) apply for Excess Rights Shares. SRS Members are advised to provide their respective SRS Approved Banks with the appropriate instructions no later than the deadlines set by their respective SRS Approved Banks in order for their respective SRS Approved Banks to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. SRS Funds may not, however, be used for the purchase of the Rights Shares directly from the market. Any acceptance and/or application of the SRS Members to accept their provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares made directly through the CDP, the Share Registrar, the Company and/or by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service will be rejected.

Entitled Depositors should note that all notices and documents will be sent to their last registered address with CDP. Entitled Depositors who may wish to maintain a mailing address with CDP for the purpose of receiving the Rights Issue documents should inform CDP in writing ("**Rights Mailing Address**"). Entitled Depositors are reminded that any request to CDP to register a Rights Mailing Address or any request to CDP to update its records for a new Rights Mailing Address or to effect any change in address must reach CDP at 11 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138589, not later than three (3) Market Days (being a day on which the SGX-ST is open for trading in securities) prior to the Record Date.

Entitled Scripholders should note that all notices and documents will be sent to their last registered address with the Share Registrar. Entitled Scripholders are reminded that any request to the Company to update their records or effect any change in address must reach the Company at 36 Newton Road, Singapore 307964, not later than three (3) Market Days before the Record Date. Entitled Scripholders are encouraged to open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Record Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of the Rights Shares. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the 12th Market Day from the date of lodgment of the share certificates with CDP or such later date as CDP may determine, subject to the completion of the lodgment process. Entitled Scripholders who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights Issue may provide such a Singapore address by notifying the Share Registrar at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 not later than three (3) Market Days prior to the Record Date.

Pursuant to Rule 803 of the Listing Manual, the Company will not issue securities to transfer a controlling interest without prior approval of Shareholders in general meeting.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment are contained in Appendices I, II and III to this Offer Information Statement and in the PAL, the ARE and the ARS.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

(b) FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents relating to the Rights Issue have been lodged with the MAS. This Offer Information Statement and its accompanying documents have not been and will not be lodged, registered or filed in any jurisdiction other than in Singapore. The electronic dissemination of this Offer Information Statement and the distribution of the OIS Notification Letter and its accompanying documents, and the purchase, exercise of or subscription for provisional allotments of the Rights Shares and/or the Rights Shares by any persons who have registered addresses outside Singapore, or who are resident in, or citizens of countries other than Singapore, may be prohibited or restricted (either absolutely or unless relevant securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in countries other than Singapore, this Offer Information Statement and its accompanying documents have not been and will not be despatched or disseminated to Foreign Shareholders.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No provisional allotment of the Rights Shares has been made to Foreign Shareholders and no purported acceptance thereof or application therefore by any Foreign Shareholder will be valid.

Foreign Shareholders who wish to be eligible to participate in the Rights Issue must register a Singapore mailing address with (a) CDP at 11 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138589, or (b) Hotel Royal Limited at 36 Newton Road, Singapore 307964, as the case may be, not less than three (3) Market Days before the Record Date.

This Offer Information Statement and its accompanying documents will also not be despatched or disseminated to persons purchasing the provisional allotments of Rights Shares through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of the Rights Shares credited by CDP to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. The Company further reserves the right to reject any acceptances of the Rights Shares and/or application for Excess Rights Shares where it believes, or has reason to believe, that such acceptance and/or application may violate the applicable legislation of any jurisdiction.

The Company reserves the right, but shall not be obliged, to treat as invalid any ARE, ARS or PAL which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction, (b) provides an address outside Singapore for the receipt of the physical share certificate(s) for the Rights Shares or which requires the Company to despatch the physical share certificate(s) to an address in any jurisdiction outside Singapore, or (c) purports to exclude any deemed representation or warranty required by the terms of the Offer Information Statement, ARE, ARS or PAL.

If it is practicable to do so, arrangements may, at the discretion of the Company, be made for the provisional allotments of the Rights Shares which would otherwise have been provisionally allotted to Foreign Shareholders to be sold “**nil-paid**” on the SGX-ST as soon as practicable after dealings in the provisional allotments of Rights Shares commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account the relevant expenses to be incurred in relation thereto.

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 Record 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.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

Where such Rights are sold “nil-paid” on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide, and no Foreign Shareholder shall have any claim whatsoever against the Company or CDP in respect of such sales or proceeds thereof, the provisional allotments of the Rights Shares or the Rights Shares represented by such provisional allotments.

If such provisional allotments of Rights Shares cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of the Rights Shares, the Rights Shares represented by such provisional allotment will be used to satisfy excess applications for Rights Shares or dealt with in such manner 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, CDP, the CPF Board or the Share Registrar and their respective officers in connection therewith. Shareholders should note that the special arrangements described above would apply only to Foreign Shareholders.

Notwithstanding the above, Shareholders and any other person having access to the electronic version of this Offer Information Statement and/or possession of the OIS Notification Letter and its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto. No person in any territory outside Singapore accessing or receiving this Offer Information Statement, the OIS Notification Letter and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other legal requirements in those territories.

This Offer Information Statement and/or its accompanying documents are not intended for distribution outside of Singapore.

Fractional entitlements to the Rights Shares will be disregarded in arriving at Shareholders' allotments and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and used to satisfy excess applications for Rights Shares (if any) or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

The Rights Shares which are not otherwise taken up or allotted for any reason or which represent fractional entitlements disregarded in accordance with the terms of the Rights Issue shall be used to satisfy the applications for Excess Rights Shares (if any) or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company. In the allotment of Excess Rights Shares, preference will be given 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) will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will not make any allotments and issue of Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sale of the provisional allotments of Rights Shares and for the applications for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices I, II and III to this Offer Information Statement and in the PAL, the ARE and the ARS.

PRINCIPAL TERMS OF THE RIGHTS ISSUE

The following is a summary of the principal terms and conditions of the Rights Issue and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing in this Offer Information Statement.

- Number of Rights Shares : Assuming that the share capital of the Company as at the Record Date is 100,800,000:-
- (a) based on the Maximum Subscription Scenario, up to 20,160,000 Rights Shares will be issued, and
 - (b) based on the Minimum Subscription Scenario, up to 12,164,880 Rights Shares will be issued.
- Basis of Allotment : One (1) Rights Share for every five (5) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded.
- Issue Price : S\$2.00 for each Rights Share, payable in full on acceptance and/or application.
- The Issue Price represents a discount of approximately:
- (i) 30.8% to the closing market price of S\$2.89 per Share on 4 October 2022, being the last Market Day on which the Shares on the Official List of the Main Board of the SGX-ST were traded prior to the date of announcement of the Rights Issue; and
 - (ii) 27.0% to the theoretical ex-rights price of S\$2.74¹ per Share as calculated based on the last Market Day on the Last Traded Price.
- In determining the Issue Price and the discount, the Directors had taken into consideration the volume weighted average price of the Shares on 4 October 2022 and the theoretical ex-rights price computed on the same.
- Eligibility to participate in the Rights Issue : Please refer to the section entitled “Eligibility of Rights Issue Shareholders to Participate in the Rights Issue” of this Offer Information Statement for further details.
- Status of Rights Shares : 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.
- Acceptance, Excess Applications and Payment Procedures : Please refer to Appendices I to III of this Offer Information Statement, and the accompanying PAL, ARE or ARS

¹ Such theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue and is calculated based on the Last Traded Price of the Shares on the Main Board of the SGX-ST of S\$2.89 on the Last Trading Day, and the number of Shares following the completion of the Rights Issue and the allotment and issue of up to 20,160,000 Rights Shares.

PRINCIPAL TERMS OF THE RIGHTS ISSUE

Scaling Down : The Company may scale down the Rights Shares subscribed by any Shareholder to the extent necessary to avoid placing such Shareholder in a position of incurring an obligation under the Code to make a mandatory general offer for the Shares as a result of other Shareholders not taking up their entitlements of Rights Shares in full.

Use of SRS Funds : SRS Members who bought their Shares previously using their SRS Accounts and who wish to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares (if applicable) can only do so, subject to applicable SRS rules and regulations, using moneys standing to the credit of their respective SRS Accounts. Such SRS Members who wish to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares using SRS moneys (if applicable), must instruct the relevant approved banks in which they hold their SRS Accounts to accept their provisional allotments of Rights Shares and apply for Excess Rights Shares (if applicable) on their behalf in accordance with the Offer Information Statement. **Any application made directly to CDP or through the ATM of any Participating Bank appointed and named in the Offer Information Statement by such Entitled Shareholders will be rejected.** For the avoidance of doubt, moneys in SRS Accounts may not be used for the purchase of provisional allotments of Rights Shares directly from the market.

Use of CPF Funds : CPFIS Members may use, subject to applicable CPF rules and regulations, their CPF Funds to pay for the subscription of their provisional allotments of the Rights Shares and (if applicable) the application for Excess Rights Shares, if they had previously bought their Shares using CPF Funds. Such CPFIS Members who wish to accept the provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares using their CPF Funds will need to instruct their respective CPF Agent Banks where they hold their CPF Investment Accounts, to accept and (if applicable) apply for the Rights Shares on their behalf. CPF Funds may not, however, be used for the purchase of the provisional allotments of Rights Shares directly from the market.

Such CPFIS Members who wish to accept and/or apply for the Rights Shares and/or Excess Rights Shares using CPF Funds should ensure that there are sufficient funds in their respective CPF accounts before instructing their respective CPF Agent Banks to accept and (if applicable) apply for the Rights Shares and/or Excess Rights Shares on their behalf. In the event that such CPFIS Member has insufficient CPF Funds available for his acceptance and/or application, he may top-up his CPF Investment Account to the required amount with cash.

CPFIS Members should also note that CPF Funds cannot be used for the payment of Rights Shares and/or Excess Rights Shares if they submit their acceptances and/or applications directly to CDP and/or through the ATMs of the Participating

PRINCIPAL TERMS OF THE RIGHTS ISSUE

- Banks. Any such acceptance and/or application purporting to use CPF Funds for the payment of Rights Shares and/or Excess Rights Shares will be rejected.
- Listing of the Rights Shares : Approval in-principle has been obtained from the SGX-ST on 25 October 2022 for the listing of and quotation for the Rights Shares on the Official List of the Main Board of the SGX-ST.
- The approval in-principle from the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Rights Issue, the Rights Shares and the Shares.
- Trading of the Rights Shares : Upon the listing of the Rights Shares on the Official List of the Main Board of the SGX-ST, the Rights Shares will be traded under the book-entry (scripless) settlement system. Each board lot of Rights Shares will consist of 100 Shares.
- Non-underwritten : The Rights Issue is not underwritten. The Company has received an Irrevocable Undertaking from the Undertaking Shareholders to collectively (i) subscribe and/or procure the subscription and payment for the whole of their entitlements under the Rights Issue of an aggregate of 12,164,880 Rights Shares at an issue price of S\$2.00 each, which amounts to approximately S\$24.3 million and (ii) ensure that none of the Shares that they own or control as at the date of the Irrevocable Undertaking are disposed of during the period between the date of the Irrevocable Undertaking and the date of issue of the Rights Shares. Please refer to “**Part 10 (Additional Information Required for Offer of Securities or Securities-based Derivatives Contracts by way of Rights Issue)**” of this Offer Information Statement for further details.
- Governing Law : Laws of the Republic of Singapore.

EXPECTED TIMETABLE OF KEY EVENTS

An indicative timetable for the Rights Issue is set out below. For events listed which are described as “expected”, please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.

| | | |
|---|---|---|
| Shares trade ex-rights | : | 11 November 2022 from 9.00 a.m. |
| Record Date | : | 14 November 2022 at 5.00 p.m. |
| Date of Lodgement of Offer Information Statement | : | 15 November 2022 |
| Despatch of OIS Notification Letter, the ARE, the ARS and the PAL (as the case may be) to Entitled Shareholders | : | 17 November 2022 from 9.00 a.m. |
| Commencement of trading of nil-paid Rights Shares entitlements | : | 17 November 2022 from 9.00 a.m. |
| Last date and time of splitting and trading of “nil-paid” Rights Shares entitlements | : | 25 November 2022 at 5.00 p.m. |
| Last date and time for acceptance of and payment for Rights Shares | : | 1 December 2022 at 5.30 p.m. (9.30 p.m. for Electronic Applications via ATM of Participating Banks or an Accepted Electronic Service) |
| Last date and time for renunciation of, acceptance and payment for Rights Shares by renounees | : | 1 December 2022 at 5.30 p.m. |
| Last date and time for application and payment for Excess Rights Shares | : | 1 December 2022 at 5.30 p.m. (9.30 p.m. for Electronic Applications via ATM of Participating Banks or an Accepted Electronic Service) |
| Expected date for issuance of Rights Shares | : | 8 December 2022 |
| Expected date for crediting of Rights Shares | : | 9 December 2022 |
| Expected date for refund of unsuccessful applications (if made through CDP) | : | 9 December 2022 |
| Expected date for the listing and commencement of trading of the Rights Shares | : | 9 December 2022 from 9.00 a.m. |

Pursuant to Rule 820(1) of the Listing Manual, the Rights Issue will not be withdrawn after the commencement of ex-rights trading. Based on the above timetable, the Shares are expected to commence ex-rights trading on 11 November 2022 from 9.00 a.m.

The above timetable is indicative only and is subject to change.

As at the date of this Offer Information Statement, the Company does not expect the above timetable to be modified. However, the Company may, with the approval of the SGX-ST, modify the timetable subject to any limitations under any applicable laws. In that event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST’s website at <http://www.sgx.com>.

Note:

CPFIS Shareholders, SRS Members, and investors who have subscribed for or purchased Shares through a finance company and/or Depository Agent, where applicable, will receive notification letter(s) from their respective CPF Agent Banks, SRS Approved Banks, finance companies, and/or Depository Agents and should refer to such notification letter(s) for details of the last date and time to submit applications to their respective CPF Agent Banks, SRS Approved Banks, finance companies and/or Depository Agents. Applications made by these investors directly to CDP, the Share Registrar or through ATMs will be rejected.

TRADING

1. LISTING OF AND QUOTATION FOR RIGHTS SHARES

Approval in-principle has been obtained from the SGX-ST on 25 October 2022 for the listing of and quotation for the Rights Shares on the Official List of the Main Board of the SGX-ST, subject to certain conditions. The approval in-principle of the SGX-ST is not to be taken as an indication of the merits of the Company, its subsidiaries, the Shares, the Rights Issue or the Rights Shares.

Upon listing of and quotation for the Rights Shares on the Official List of the Main Board of the SGX-ST, the Rights Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "**Terms and Conditions for Operation of Securities Accounts with CDP**" and the "**Terms and Conditions for CDP to act as Depository for the Rights Shares**", as the same may be amended from time to time. Copies of the above are available from CDP.

2. ARRANGEMENTS FOR SCRIPLESS TRADING

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renounees who wish to accept and/or apply for the Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card ("**NRIC**")/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL.

Entitled Scripholders and their renounees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP, will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will be forwarded to them by ordinary post at their own risk, but will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be prima facie evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from his address registered with the Share Transfer Agent, he must inform the Share Transfer Agent of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with the Share Transfer Agent.

A holder of physical share certificate(s) or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but wishes to trade on the SGX-ST must deposit his share certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, pay applicable fees and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.

TRADING

3. TRADING OF ODD LOTS

All fractional entitlements to the Rights Shares have been disregarded in arriving at the entitlements of the Entitled Shareholders and will, together with entitlements not allotted or taken up for any reason, be aggregated and issued to satisfy applications, if any, for Excess Rights Shares or otherwise disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. Shareholders should note that the Shares are quoted on the SGX-ST in board lot sizes of 100 Shares. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares (i.e. less than 100 Shares) and who wish to trade in odd lots should note that that they are able to do so on the Unit Share Market of the SGX-ST.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by the Company or its officers, Directors or employees acting on its behalf, that are not statements of historical fact, constitute “**forward-looking statements**”. Some of these statements can be identified by words that have a bias towards the future or, are, forward-looking such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, business strategy, plans and future prospects of the Group’s industry are forward-looking statements. These forward-looking statements, including statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual, future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks and uncertainties that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those forward-looking statements.

In particular, in light of the ongoing coronavirus disease 2019 (“**COVID-19**”) pandemic and uncertainties in the global financial markets and their contagion effect on the real economy, any forward-looking statements contained in this Offer Information Statement must be considered with significant caution and reservation.

Further, the Company disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. However, the Company may make an announcement to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority in the event, *inter alia*, that it becomes aware of a new development, event or circumstance that has arisen since the lodgment of this Offer Information Statement with the Authority, but before the Closing Date of the Rights Issue and that is materially adverse from the point of view of an investor or required to be disclosed pursuant to law and/or the SGX-ST. The Company is also subject to the provisions of the Listing Manual regarding corporate disclosure.

TAKE OVER LIMITS

The Code regulates the acquisition of ordinary shares of public companies including the Company. Except with the consent of the Securities Industry Council, where:

- (i) any person acquires whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by parties acting in concert with him) carry 30.0% or more of the voting rights of the Company; or
- (ii) any person who, together with parties acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights in the Company and such person, or any party acting in concert with him, acquires in any period of six (6) months additional Shares carrying more than 1.0% of the voting rights,

such person must extend a mandatory take-over offer immediately to the holders for the remaining Shares in the Company in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of parties acting in concert with him may according to the circumstances of the case, have the obligation to extend an offer.

As at the Latest Practicable Date, the Undertaking Shareholders, namely, Aik Siew Tong Ltd, Hock Tart Pte Ltd, Asia Building Bhd, Melodies Limited, The Singapore-Johore Express (Private) Limited and Chip Keng Holding Bhd, collectively hold direct interests of 60,824,400 Shares representing approximately 60.34% of the issued shares of the Company. The Undertaking Shareholders have irrevocably undertaken to collectively, *inter alia*, (i) subscribe and/or procure the subscription and payment for the whole of their entitlements under the Rights Issue of an aggregate of 12,164,880 Rights Shares at an issue price of S\$2.00 each, which amounts to approximately S\$24.3 million and (ii) ensure that none of the Shares that they own or control as at the date of the Irrevocable Undertaking are disposed of during the period between the date of the Irrevocable Undertaking and the date of issue of the Rights Shares.

The Undertaking Shareholders are parties acting in concert for the purposes of the Code. As at the Latest Practicable Date, the Undertaking Shareholders collectively hold direct interests of approximately 60.34% in the issued shares of the Company and would not incur a mandatory general offer obligation under the Code regardless of the level of subscription for the Rights Issue.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of Rights Shares pursuant to the Rights Issue should consult the Securities Industry Council and/or their professional advisers.

For the avoidance of doubt, the Company may at its discretion scale down any Entitled Shareholder's application to subscribe for Excess Rights Shares to avoid placing such Entitled Shareholder in the position of incurring an obligation to make an offer for Shares in the Company under the Code as a result of other Entitled Shareholders not taking up their entitlements to the Rights Shares.

RISK FACTORS

To the best of the Directors' knowledge and belief, the risk factors that are material to prospective investors in making an informed judgement on the Rights Issue are set out below. Prospective investors should carefully consider and evaluate each of the following risks and all other information contained in this Offer Information Statement before making an investment decision. The Group may be affected by a number of risks that may relate to the industry and countries in which the Group operates as well as those that may generally arise from, inter alia, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations, possibly materially. If any of the following risks and uncertainties develops into actual events, the business, financial conditions or results of operations of the Company and the Group could be materially and adversely affected. In such cases, the trading price of the Rights Shares could decline and a prospective investor may lose all or part of his investment.

This Offer Information Statement contains forward-looking statements relating to events that involve risks and uncertainties. See the section "Cautionary Note on Forward-Looking Statements".

Risks relating to Business and Financial Prospects of the Group

Uncertainties, Demands, Commitments or Events

There are uncertainties, demands, commitments or events that may have a material and adverse impact on the business, results of operations, financial condition and prospects of the Group. This section is only a summary, and is not an exhaustive description, of all the uncertainties, demands, commitments or events. There may be additional uncertainties, demands, commitments or events not presently known to the Group, or that the Group may currently deem immaterial, which could affect its business, results of operations, financial condition and prospects.

The outbreak of COVID-19 or any other infectious disease or any other serious public health concerns in Asia, Australia, Europe, the Middle East and/or elsewhere could adversely impact the business, financial condition, results of operations and prospects of the Group.

In March 2020, the World Health Organisation declared the outbreak of a new infectious disease known as "COVID-19" to be a pandemic. COVID-19 has spread rapidly globally, and has resulted in the tourism, travel, hospitality and retail industries being hit the hardest, as several countries, including the countries that the Group operates, went into total or partial lockdown, restricting travel. The COVID-19 outbreak brought about worldwide hotel closures and government-imposed movement restrictions and temporary cessations of non-essential services, which adversely affected the business and operations of the Group's hospitality and retail properties. New variants such as the "Delta" and "Omicron" variants, have continued to emerge thereby slowing down any potential recovery. The Company continues to monitor the impact COVID-19 and the emerging variants have on the Group's business and operations, the markets in which the Group operates and more broadly on the macro-economic outlook as further cases and variants emerge and governments and international agencies impose a range of measures to deal with the outbreak. Notwithstanding the various emergency measures taken globally to manage the COVID-19 pandemic, the COVID-19 virus and the variants continue to adversely impact the business, financial condition, results of operations and prospects of the Group. While global economic activity has started to recover from depressed levels as some governments partially ease lockdown restrictions and switch to more targeted measures to contain new infection clusters, there is no assurance that the restrictions will be fully eased or new containment measures will not be imposed or re-imposed. The potential exists for recession within individual countries, the failure of businesses and austerity measures, all of which might impact the confidence of, and in, the economies and markets in which the Group does business

The Group's financing cost may be adversely impacted by increase in interest costs

The Group may be subject to risks normally associated with debt financing, including adverse changes in interest rates and the inability to meet payments of principal and interest. Interest rates are a function of inflationary expectations, which may be on the uptrend. A material increase in interest rates would increase borrowing and financing costs, which may in turn weaken the Group's projects and the Group's financial standing when seeking future financing to be secured on the Group's projects or financials. This may adversely affect the business, financial condition, results of operations and prospects of the Group.

RISK FACTORS

General business risks

The Group's businesses are subject to general business risks including:-

- (i) war and terrorism, and its adverse effect on business;
- (ii) the spread of contagious disease and its adverse effect on tourist arrivals;
- (iii) global recession and its effect on the performance of the local economy; and
- (iv) changes in government regulations that burden the operating costs or restrict business.

It is recognised that such risks can never be eliminated totally and that the cost controls in minimising these risks may outweigh their potential benefits. Accordingly, the Group continues to focus on risk management and incident management. Where appropriate, this is supported by risk transfer mechanism such as insurance.

The Group may be affected by a decrease in demand for its hotel rooms

The financial performance of the Group's hotels is dependent mainly on the number of hotel guests. In the event that there is a decrease in demand for its hotel rooms, as a result of a decrease in visitors to Singapore, hotel occupancy rates may decline. A decrease in visitors to Singapore may be due to a decrease in travel, whether as a result of a general downturn in the global economy, the outbreak of an epidemic, restrictions on travel imposed by governments, fears of terrorism in the region or otherwise. In the event that as a result of such factors, its hotel occupancy rates decline significantly, the Group's financial performance and profitability will be adversely affected.

The Group faces significant competition

Singapore's hotel industry is highly competitive. The level of competition in Singapore's hotel industry is affected by various factors, including changes in economic conditions, both locally and regionally, changes in local and regional populations, the supply and demand for hotel rooms and changes in travel patterns and preferences. The Group offers hotel accommodation at convenient locations. However, the Group's competitors also have hotels located in these areas. Some of these hotels offer more facilities at their premises at similar or more competitive prices. Some of the Group's competitors may also significantly lower their rates or offer greater convenience, services or amenities, to attract more guests. If its competitors' efforts are successful, the Group's results of operations may be adversely affected. There can also be no assurance that demographic, geographic or other changes will not adversely affect the convenience or demand for its hotels.

The Group's performance may be subject to changes in the laws and regulations in Singapore

The operation of hotels in Singapore is subject to various laws and regulations, such as the Hotels Act, 1954 of Singapore ("**Hotels Act**"). For example, the Group presently requires hotel licences issued under the Hotels Act for the operation of its hotels. The withdrawal, suspension or non-renewal of any of these licences, or the imposition of any penalties, as a result of any infringement or non-compliance with any requirement, will have an adverse impact on its business and results of operations. Further, any changes in such laws and regulations may also have an impact on the Group's business and result in higher costs of compliance. In addition, any failure to comply with these laws and regulations could result in the imposition of fines or other penalties by the relevant authorities. This could have an adverse impact on the revenues and profits of the Group's hotels or otherwise adversely affect its operations.

The financial performance of the Group's hotel operations is dependent on the conditions of the hospitality industry

A number of factors, many of which are common to the global hospitality industry could affect the conditions of the hospitality industry and the financial performance of the Group's hotel operations, including the following:-

- (i) changes in the domestic, regional and global economies which are affected by factors, including, but not limited to, the political landscape, environmental conditions and viral epidemics such as human avian flu and Severe Acute Respiratory Syndrome;

RISK FACTORS

- (ii) increased threat of terrorism, terrorist events, airline strikes, hostilities between countries or increased risk of natural disasters that may affect travel patterns and reduce the number of business and commercial travelers and tourists;
- (iii) length of a traveler's stay which is dependent on business and commercial travel, leisure travel and tourism;
- (iv) changes in governmental laws and regulations, fiscal policies and zoning ordinances and the related costs of compliance with laws and regulations, fiscal policies and ordinances;
- (v) increased competition in the Singapore hospitality industry, for example new supply in the markets which the Group operates in, which could negatively affect the Group's hotels' occupancy rates and revenue;
- (vi) increases in operating costs and occurrence of unanticipated costs due to various reasons including inflation, labour costs, workers' compensation and health-care related costs, utility and energy costs, property tax, advertising and promotion expenses, insurance, environmental damage and acts of nature and their consequences;
- (vii) changes in interest rates and in the availability, cost and terms of debt financing and other changes in the Group's business that adversely affect the Group's ability to obtain financing and comply with debt financing covenants;
- (viii) difficulties in identifying hospitality assets to acquire and completing and integrating acquisitions;
- (ix) increase in transportation or fuel costs or strikes among workers in the transportation industry, particularly in the aviation industry;
- (x) adverse weather patterns; and
- (xi) adverse effects of any downturn in the hospitality industry.

As a result of such factors, the Group's hotel business, financial position and results of operations could be materially and adversely affected.

The Group's hotels and investment properties may be acquired compulsorily

The Land Acquisition Act gives the Singapore Government the power to acquire any land in Singapore:

- (i) for any public purpose;
- (ii) where the acquisition is of public benefit or of public utility or in the public interest; or
- (iii) for any residential, commercial or industrial purpose.

As at the Latest Practicable Date, none of the Group's properties have been designated for compulsory acquisition. The compensation to be awarded pursuant to any compulsory acquisition would be the market value of the land as at the date of its acquisition. Accordingly, if the land over which the Group's hospitality and hospitality-related assets and investment properties are situated on is compulsorily acquired during a market downturn period when there is a decline in the prices of real estate, the compensation paid in respect of the acquired property may be less than what the Group would be entitled to otherwise. In such an event, the Group's business, financial position and results of operations could be materially and adversely affected. In addition, any compulsory acquisition of the Group's hotels may have a material adverse impact on the business continuity of the Group's hotel operations, which may consequently affect the Group's financial position and/or results of operations.

RISK FACTORS

The Group may acquire assets located in other countries. The laws of these countries may also provide for a right by the governments of these countries to compulsorily acquire any land or property with no compensation to the owner, or for compensation below market value. Such compulsory acquisitions would have an adverse effect on the Group's business, financial position and results of operations.

The Group is subject to inherent property investment risks

There are discernible cycles in property markets in Singapore and overseas. As a result, the Group is subject to risks inherent in property investment. There is no assurance that the Group will not be adversely affected in the event of future property downturns in Singapore or the other markets in which the Group operates or has investment properties.

The Issuer may be affected by the illiquidity of real estate

Real estate assets, such as the hotels owned by the Group, are relatively illiquid. The illiquidity of the Group's real estate assets may limit its ability to convert such assets into cash at short notice or may result in a significant reduction in the prices that it may otherwise seek for such assets so as to facilitate a sale of such assets in a short time-frame. Such illiquidity also limits the Group's ability to vary its portfolio in response to changes in economic or other conditions in a timely manner.

The Group may not be able to obtain reasonable returns from its investment properties

As one of the Group's businesses involves the holding of investment properties, it is exposed to the risk that the returns from property investments depend to a large extent on the rental income of such properties which in turn is determined by the market. In the event that the Group is unable to secure reasonable rental rates for its investment properties, the yield from such properties may be poor and the Group's financial performance may be adversely affected.

The Group is subject to the risk of inability to collect rent from its tenants

The Group may experience delays in the collection of rent or even non-payment of rent. For example, the bankruptcy or insolvency of a tenant may impede its ability to collect rent due. The Group may be unable to collect rent from properties under renovation or repair where such renovation or repair causes the properties to be not tenable or unfit for occupation. The inability to collect rent from tenants or because of prolonged renovation or repair works as aforesaid could adversely affect its financial performance.

The Group is subject to the limitations of property valuations

The valuations of the Group's properties are conducted by professional valuers. The valuations are based on certain assumptions and are not intended to be a prediction of the actual values likely to be realised by the Group from these investments. The valuations of the Group's properties will be adversely affected by unfavourable changes in economic or regulatory conditions or other relevant factors which could affect such valuations.

These valuations are subject to changes in market conditions and thus may not accurately reflect the actual values of such properties upon realisation or disposal of these assets. Should the values of the Group's properties be lower for any reason upon realisation or disposal, its financial position and performance will be adversely affected. In addition, the Group may record impairment losses in its financial statements in the event that the market values of its properties, as determined by professional independent valuers, fall below their carrying amounts.

The Group is subject to foreign currency risk

The Group's foreign currency exposures arose mainly from the exchange rate movements of the NZD, RM and Thai Baht, vis-a-vis the Singapore dollar which is also the Group's reporting currency. The Group has investments in funds under the management of certain banks, bank loans and cash deposits which are exposed to foreign exchange risk. In addition, the Group is exposed to currency translation risk as it has subsidiaries operating in New Zealand, Malaysia and Thailand. In the event that the Group incurs foreign exchange losses, its operating results may be materially and adversely affected.

RISK FACTORS

Risks relating to the securities of the Company

The trading price of the Company's Shares may fluctuate

There is no assurance that the market price for the Shares will not fluctuate significantly and rapidly as a result of certain factors, some of which are beyond the Company's control. Examples of such factors include, inter alia, (i) variation(s) of its operating results; (ii) changes in financial estimates of the Group's financial performance by securities analysts; (iii) additions or departures of key personnel; (iv) fluctuations in stock market prices and volume; (v) changes in government regulations and other rules/regulations with regard to the industries that the Group operates in; (vi) general economic, stock and credit market conditions; and (vii) other events or factors described in this Offer Information Statement.

The Issue Price does not bear a direct relationship to the book value of the Group's assets, past operations, cash flow, earnings, financial condition or other established criteria for value, and hence Shareholders should not consider the Issue Price to be any indication of the Share's underlying value.

The market price of the Shares could be subject to significant fluctuations. Any fluctuation may be due to the market's perception of the likelihood of completion of the Rights Issue and/or be in response to various factors some of which are beyond the Company's control.

Any of these events could result in a decline in the market price of the Shares during and after the Rights Issue. There is no assurance that the market price of the Rights Shares will remain at or above the Issue Price. Further, the discount, along with the number of Rights Shares, may result in a decrease in the market price of the Shares and this decrease may continue after the completion of the Rights Issue.

There is no assurance that there will be a liquid market for the Shares

Shareholders should note that the Shares trade in board lots of 100 Shares. Following the Rights Issue, Shareholders who hold odd lots and who wish to trade in odd lots on the SGX Main Board should note that there is no assurance that they will be able to acquire such number of Rights Shares to make up one board lot or to dispose of their odd lots (whether in part or whole) on the Main Board. Further, Entitled Shareholders who hold odd lots may experience difficulty and/or have to bear disproportionate transaction costs in disposing of odd lots of their Rights Shares.

Shareholders who do not or are not able to accept their provisional allotment of Rights Shares will experience a dilution in their ownership of the Company

In the event that Entitled Shareholders do not or are not able to accept their provisional allotment of Rights Shares, their proportionate ownership of the Company will be reduced. They may also experience a dilution in the value of their Shares. Even if the Entitled Shareholder sells his provisional allotment of the Rights Shares, or such provisional allotment of the Rights Shares are sold on his behalf, the consideration he receives may not be sufficient to compensate him fully for the dilution of his ownership of the Company as a result of the Rights Issue.

An active market may not develop for the "nil-paid" rights entitlements during the trading period prescribed by the SGX-ST and, if an active market does develop, the "nil-paid" rights entitlements may be subject to greater price volatility than the Shares

The Company cannot assure Shareholders that an active trading market for the "nil-paid" rights entitlements on the Main Board will develop during the "nil-paid" rights trading period or that any over-the-counter trading market for the "nil-paid" rights entitlements will develop. If an active market develops, the trading price of the "nil-paid" rights entitlements, which depends on the trading price of the Shares, may be volatile. In addition, Shareholders in certain jurisdictions are not allowed to participate in the Rights Issue. The "nil-paid" rights entitlements which would otherwise be provisionally allotted to Foreign Shareholders may be sold by the Company, which could affect the trading price of the "nil-paid" rights entitlements. The market price of the "nil-paid" rights may not reflect their actual value.

RISK FACTORS

Investors may experience future dilution in the value of their Shares

The Group may need to raise additional funds in the future to finance the repayment of borrowings, expansion of new developments relating to the Group's existing operations and/or to finance future investments. If additional funds are raised through the issuance by the Company of new Shares other than on a pro-rata basis to existing Shareholders, the percentage ownership of existing Shareholders may be reduced and existing Shareholders may experience dilution in the value of their Shares.

Market and economic conditions may affect the market price of the Shares

The global financial markets have experienced significant price and volume fluctuations and market prices of shares may continue to be volatile. Volatility in the price of the Shares may be caused by factors beyond the Group's control and may be unrelated or disproportionate to the Group's operating results.

Examples of such factors include but are not limited to:

- (i) changes in financial estimates of the Group's financial performance by securities analysts;
- (ii) fluctuations in stock market prices and volume; and
- (iii) general economic, stock and credit market conditions.

Any of these events could result in a decline in the price of the Shares during and after the Rights Issue.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 2: IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the Company.
-

| Name of Director | Address |
|-------------------------|------------------------------------|
| Yang Wen-Wei | 36 Newton Road Singapore 307964 |
| Dr Tan Kim Song | 36 Newton Road Singapore 307964 |
| Lee Khin Tien | 36 Newton Road Singapore 307964 |
| Lee Kin Hong | 36 Newton Road Singapore 307964 |
| Dr Lee Chu Muk | 36 Newton Road Singapore 307964 |
| Lee Chou Hor George | 36 Newton Road Singapore 307964 |

Advisers

2. Provide the names and addresses of —
- (a) the issue manager to the offer, if any;
 - (b) the underwriter to the offer, if any; and
 - (c) the legal adviser for or in relation to the offer, if any.
-

| | | |
|---------------|---|--|
| Issue Manager | : | None |
| Underwriter | : | None. The Rights Issue is not underwritten. |
| Legal Adviser | : | Dentons Rodyk & Davidson LLP 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624 |

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Registrars and Agents

- 3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities or securities-based derivatives contracts being offered, where applicable.**

| | Name | Address |
|--------------------|---|--|
| Registrar: | B.A.C.S. Private Limited | 77 Robinson Road #06-03 Robinson 77 Singapore 068896 |
| Transfer Agent: | Not applicable | Not applicable |
| Receiving Bankers: | Oversea-Chinese Banking Corporation Limited | 63 Chulia Street #10-00 Singapore 049514 |

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 3: OFFER STATISTICS AND TIMETABLE

Offer Statistics

1. For each method of offer, state the number of the securities or securities-based derivatives contracts being offered.

| | | |
|--------------------|---|--|
| Method of Offer | : | Renounceable non-underwritten rights issue of Rights Shares |
| Basis of allotment | : | One (1) Rights Share for every five (5) existing Shares held by Entitled Shareholders as at the Record Date, fractional entitlements to be disregarded |
| Rights Issue | : | Based on the issued share capital of the Company of 100,800,000 Shares as at the Latest Practicable Date, up to 20,160,000 Rights Shares will be issued under the Rights Issue |

Method and Timetable

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to —
- (a) the offer procedure; and
 - (b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.
-

Please see paragraphs 3 to 7 below.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.
-

Details of the offer procedure for the Rights Issue are set out below:

| | | |
|--------------------------------|---|--|
| Offer Period : | : | Please refer to the section entitled “ Expected Timetable of Key Events ” in this Offer Information Statement |
| Basis of Provisional Allotment | : | The Rights Issue is made on a renounceable basis to Entitled Shareholders on the basis of one (1) Rights Share for every five (5) existing Shares held by, or standing to the credit of the Securities Accounts of Entitled Shareholders, as the case may be, as at the Record Date, fractional entitlements to be disregarded |

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Name and address of person to whom purchase or subscription applications submitted : The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of applications submitted the provisional allotments of the Rights Shares and for the applications for Excess Rights Shares, including the modes of acceptance or application and payment are contained in **Appendices I, II and III** to this Offer Information Statement and in the PAL, the ARE and the ARS

Circumstances under which the offer period may be modified : As at the Latest Practicable Date, the Company does not expect the timetable under the section entitled “**Expected Timetable of Key Events**” of this Offer Information Statement to be modified. However, the Company may, with the approval of the SGX-ST, modify the timetable subject to any limitations under any applicable laws. In that event, the Company will publicly announce the changes to the timetable through a SGXNET announcement to be posted on the Internet at the SGXST’s website <http://www.sgx.com>

4. State the method and time limit for paying up for the securities or securities-based derivatives contracts and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

The Rights Shares will be payable in full upon acceptance and/or application. Details of the methods of payment for the Rights Shares are contained in Appendices I, II and III to this Offer Information Statement and the ARE, ARS and PAL.

Please also refer to the section entitled “*Expected Timetable of Key Events*” for the last time and date for payment for the Rights Shares and, if applicable, Excess Rights Shares.

5. State, where applicable, the methods of and time limits for:-

- (a) the delivery of the documents evidencing title to the securities or securities-based derivatives contracts being offered (including temporary documents of title, if applicable) to subscriber or purchasers; and**
- (b) the book-entry transfers of the securities or securities-based derivatives contracts being offered in favour of subscriber or purchaser.**

The Rights Shares will be provisionally allotted to the Entitled Shareholders on or about 16 November 2022 by crediting the provisional allotments into the Securities Accounts of the respective Entitled Depositors or through the despatch of the relevant PALs to the Entitled Scripholders.

In the case of Entitled Scripholders and their renounees with valid acceptances and successful applications for Rights Shares 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 to such Entitled Scripholders 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.

In the case of Entitled Depositors and Entitled Scripholders and their renounees (who have furnished valid Securities Account numbers in the relevant form comprised in the PAL) with valid acceptances and successful applications for Rights Shares, share certificates representing such number of Rights Shares will be sent to CDP within ten (10) Market Days after the Closing Date

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

and 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 stating the number of Rights Shares credited to their Securities Accounts.

Please refer to Appendices I, II and III to this Offer Information Statement and the ARE, the ARS and the PAL for further details.

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- 6. In the case of any pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**
-

Not applicable. None of the Shareholders has pre-emptive rights to subscribe for the Rights Shares.

-
- 7. Provide a full description of the manner in which results of the allotment or allocation of the securities or securities-based derivatives contracts are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**
-

Results of the Rights Issue

As soon as practicable after the Closing Date, the Company will announce the results of the Rights Issue through a SGXNET announcement which will be posted at the SGX-ST website <http://www.sgx.com>.

Manner of Refund

When any acceptance for Rights Shares and/or excess application 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 three (3) business days after the commencement of the trading of Rights Shares:

- (i) in respect of Entitled Depositors, by crediting their accounts with the relevant Participating Banks at their own risk (if they accept by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service), the receipt by such bank being a good discharge to the Company and CDP of their obligations (if any) or by crediting their designated bank account via CDP's Direct Crediting Service (DCS) at their own risk; in the event they are not subscribed to CDP's DCS, any moneys to be paid shall be credited to their Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein), as the case may be, (in each case) at their own risk or in such other manner as they may have agreed with CDP for the payment of any cash distributions; or
- (ii) 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.

Please refer to Appendices I, II and III to this Offer Information Statement for details of refunding excess amounts paid by applicants.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 4: KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.
-

Please see paragraphs 2 to 7 below.

2. **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**
-

In the event of the Maximum Subscription Scenario, the Rights Issue, based on the Existing Share Capital and the Issue Price, will raise approximately S\$40.3 million and the Net Proceeds, after deducting estimated costs and expenses of S\$0.1 million relating to the Rights Issue, is approximately S\$40.2 million.

In the event of the Minimum Subscription Scenario, the Rights Issue, based on the Existing Share Capital and the Issue Price, will raise approximately S\$24.3 million and the estimated Net Proceeds, after deducting estimated costs and expenses of S\$0.1 million relating to the Rights Issue, is approximately S\$24.2 million.

All Net Proceeds from the Rights Issue will go to the Company for allocation to the principal intended uses set out in paragraph 3 of Part 4 of this Offer Information Statement.

3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities or securities-based derivatives contracts.**
-

In view of the Group's present financial position, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Company has decided to undertake the Rights Issue with the objective of strengthening its financial position, enlarging its capital base and further enhancing the financial flexibility of the Group. The Net Proceeds of the Rights Issue will be used for (a) the repayment of bank borrowings of the Company; and (b) general working capital purposes, so as to provide the Group with more flexibility and enhance its ability to formulate, strategise and execute its business plans.

Assuming that the Rights Issue is fully subscribed by all Shareholders (i.e. the Maximum Subscription Scenario), based on the Existing Share Capital, up to 20,160,000 Rights Shares may be issued pursuant to the Rights Issue.

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Assuming that none of the Shareholders other than Undertaking Shareholders subscribes fully for their entitlements to the Rights Shares pursuant to the Irrevocable Undertaking (i.e. the Minimum Subscription Scenario), up to 12,164,880 Rights Shares may be issued pursuant to the Rights Issue.

In the event of the Maximum Subscription Scenario, the Rights Issue, based on the Existing Share Capital and the Issue Price, will raise approximately S\$40.3 and the estimated Net Proceeds, after deducting estimated costs and expenses of S\$0.1 relating to the Rights Issue, is approximately S\$40.2 million.

In the event of the Minimum Subscription Scenario, the Rights Issue, based on the Existing Share Capital and the Issue Price will raise approximately S\$24.3 and the estimated Net Proceeds, after deducting estimated costs and expenses of S\$0.1 relating to the Rights Issue, is approximately S\$24.2. The minimum proceeds raised (based on the Irrevocable Undertaking) will be sufficient to meet the Company's present funding requirements.

The Company intends to utilise the Net Proceeds for the following purposes, based on two different assumptions: (1) Maximum Subscription Scenario and (2) Minimum Subscription Scenario:-

| Use of Net Proceeds | Maximum Subscription Scenario | | Minimum Subscription Scenario | |
|----------------------------------|-------------------------------|--------------------------------|-------------------------------|--------------------------------|
| | Amount (S\$ million) | Percentage of Net Proceeds (%) | Amount (S\$ million) | Percentage of Net Proceeds (%) |
| Repayment of bank borrowings | 10 | 24.9 | 5 | 20.7 |
| General working capital purposes | 30.2 | 75.1 | 19.2 | 79.3 |
| Total | 40.2 | 100.0 | 24.2 | 100.0 |

Pending the deployment of the Net Proceeds, these 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.

The Rights Issue is not underwritten. In the reasonable opinion of the Directors, there is no minimum amount that must be raised by the Rights Issue in view of the Irrevocable Undertaking.

The Company will make periodic announcements on the use of the Net Proceeds as and when such proceeds are materially disbursed and will provide a status report on the use of proceeds from the Rights Issue in the annual report(s). Where the Rights Issue proceeds are to be used for working capital, the Company will provide a breakdown with specific details on the use of such proceeds for working capital in the announcements and annual reports. Where there is a material deviation in the use of the Net Proceeds, the Company will announce the reasons for such deviation.

-
- 4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**
-

Based on the Maximum Subscription Scenario, the estimated Net Proceeds from the Rights Issue will be approximately S\$40.2 million after deducting estimated costs and expenses of S\$0.1 million relating to the Rights Issue.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Based on the Minimum Subscription Scenario, the estimated Net Proceeds from the Rights Issue will be approximately S\$24.2 million after deducting estimated costs and expenses of S\$0.1 million relating to the Rights Issue.

All proceeds from the Rights Issue will be received by the Company.

The Company intends to use the proceeds raised from the Rights Issue in the Minimum Subscription Scenario and Maximum Subscription Scenario in the following manner:

Maximum Subscription Scenario

| Use of proceeds | Estimated amount (S\$'000) | Estimated amount for each dollar of the gross proceeds from the issue of the Rights Shares (S\$) | As a percentage of gross proceeds raised from the Rights Issue (%) |
|---|-----------------------------------|---|---|
| Gross Proceeds | 40,320 | 1.00 | 100 |
| Estimated costs and expenses incurred in connection with the Rights Issue | 140 | 0.0035 | 0.35 |
| Net Proceeds | | | |
| Repayment of bank borrowings | 10,000 | 0.2480 | 24.80 |
| General Working Capital Purposes | 30,180 | 0.7485 | 74.85 |

Minimum Subscription Scenario

| Use of proceeds | Estimated amount (S\$'000) | Estimated amount for each dollar of the gross proceeds from the issue of the Rights Shares (S\$) | As a percentage of gross proceeds raised from the Rights Issue (%) |
|---|-----------------------------------|---|---|
| Gross Proceeds | 24,330 | 1.00 | 100 |
| Estimated costs and expenses incurred in connection with the Rights Issue | 140 | 0.0058 | 0.58 |
| Net Proceeds | | | |
| Repayment of bank borrowings | 5,000 | 0.2055 | 20.55 |
| General Working Capital Purposes | 19,190 | 0.7887 | 78.87 |

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5. **If any material part of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset, business or entity, briefly describe the asset, business or entity and state its purchase price. Provide information on the status of the acquisition and the estimated completion date. Where funds have already been expended for the acquisition, state the amount that has been paid by the relevant entity, or, if the relevant entity is the holding company or holding entity of a group, the amount that has been paid by the relevant entity or any other entity in the group as at the latest practicable date. If the asset, business or entity has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined and whether the acquisition is on an arm's length basis.**

Not applicable. The Net Proceeds from the Rights Issue will not be used, directly or indirectly, to acquire or refinance the acquisition of an asset, business or entity.

6. **If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**

Approximately 24.9% (in the Maximum Subscription Scenario) and 20.7% (in the Minimum Subscription Scenario) of the Net Proceeds will be used to reduce and/or repay borrowings from the 5-year revolving credit facilities of S\$100 million ("RCF 2") obtained by the Company on 31 January 2018, commencing from the date of the first drawdown up to 30 November 2023. As at the Latest Practicable Date, the outstanding principal amount from the RCF 2 is S\$56.9 million, of which S\$16.8 million is due on 17 November 2022, S\$2.2 million is due on 25 November 2022 and S\$37.9 million is due on 4 December 2022. The RCF is rolled over on a monthly basis. The final repayment date is 30 November 2023.

7. **In the section containing the information mentioned in paragraphs 2 to 6 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters, or other placement or selling agents in relation to the offer, and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**

Not applicable. The Rights Issue is not underwritten and no placement or selling agents have been appointed in relation to the Rights Issue.

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Information on the Relevant Entity

8. Provide the following information:

- (a) **the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office), and the email address of the relevant entity or a representative of the relevant entity;**

| | |
|---|----------------------------------|
| Registered Office and Principal Place of Business | 36 Newton Road, Singapore 307964 |
| Telephone Number | +65 6426 0168 |
| Facsimile Number | +65 6256 2710 |
| Email Address | royal@hotelroyal.com.sg |

- (b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**

The Company carries on the business as a hotelier and holds investment properties through its subsidiaries. The Group derives revenue from its hotels, rental of its investment properties as well as other investment activities from funds under management.

As at the Latest Practicable Date, the subsidiaries of the Company and their principal activities are as follows:

| Name of company | Country of incorporation | Proportion of ownership interest % | Proportion of voting power held % | Principal activities |
|---|--------------------------|------------------------------------|-----------------------------------|---|
| Royal Properties Investment Pte Ltd | Singapore | 100 | 100 | Investment in properties and subsidiaries |
| Royal Capital Pte Ltd | Singapore | 100 | 100 | Investment in financial assets |
| Castle Mall Properties Pte Ltd (wholly owned subsidiary of Royal Properties Investment Pte Ltd) | Singapore | 100 | 100 | Provision of intercompany loans |
| Hotel Royal @ Queens (Singapore) Pte Ltd (wholly owned subsidiary of Royal Properties Investment Pte Ltd) | Singapore | 100 | 100 | Owns and manages a hotel |
| Hotel Royal (Thailand) Private Limited | Singapore | 100 | 100 | Investment in subsidiaries |
| Prestige Properties Sdn. Bhd. | Malaysia | 100 | 100 | Investment in subsidiaries |

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| Name of company | Country of incorporation | Proportion of ownership interest % | Proportion of voting power held % | Principal activities |
|--|--------------------------|------------------------------------|-----------------------------------|--|
| Faber Kompleks Sdn. Bhd. (wholly owned subsidiary of Prestige Properties Sdn. Bhd.) | Malaysia | 100 | 100 | Owns and manages a hotel and commercial properties |
| Premium Lodge Sdn. Bhd. (wholly owned subsidiary of Prestige Properties Sdn. Bhd.) | Malaysia | 100 | 100 | Owns and manages a hotel |
| Baba Residences Sdn. Bhd. (wholly owned subsidiary of Prestige Properties Sdn. Bhd.) | Malaysia | 100 | 100 | Owns and manages a hotel |
| Every Room a Home Sdn. Bhd. (wholly owned subsidiary of Prestige Properties Sdn. Bhd.) | Malaysia | 100 | 100 | Owns and manages a hotel |
| Grand Complex Properties Ltd (wholly owned subsidiary of Royal Properties Investment Pte Ltd) | New Zealand | 100 | 100 | Investment in commercial properties |
| Hotel Royal Bangkok (Thailand) Co., Ltd. (shares held by Hotel Royal (Thailand) Private Limited) | Thailand | 40 | 87 | Owns and manages a hotel |
| Excellent Hotel (Thailand) Co., Ltd. (shares held by Hotel Royal (Thailand) Private Limited) | Thailand | 49 | 91 | Investment in subsidiary |
| Panali Co., Ltd. | Thailand | 74 | 100 | Owns a hotel |

-
- (c) **the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since --**
- (i) **the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
- (ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**
-

General developments in FY2019

On 15 March 2019, the Group announced that its wholly-owned subsidiary, Every Room a Home Sdn. Bhd. had entered into a conditional Sale and Purchase Agreement with Boustead Hotels & Resorts Sdn. Bhd. for its acquisition of Royale Chulan Bukit Bintang Hotel

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in Kuala Lumpur, Malaysia and its hotel business (the “**Royale Chulan Bukit Bintang Hotel**”). Royale Chulan Bukit Bintang Hotel is a 4-star property with 400 suites and rooms which sits on freehold land of about 3,189 square metres. It is situated along Jalan Bukit Bintang, Kuala Lumpur, Malaysia, the established entertainment and shopping district within Kuala Lumpur’s Golden Triangle and is also within a 10-minute drive to major commercial precincts such as Kuala Lumpur City Centre, KL Sentral. The acquisition of the Royale Chulan Bukit Bintang Hotel will add synergy to the Group’s hotel operations in Kuala Lumpur in terms of sales referrals, joint marketing and management time. As at 22 February 2021, the legal possession of the Property has been delivered by the Vendor to the Purchaser. The acquisition of Royale Chulan Bukit Bintang Hotel has been completed, and the hotel is currently closed for renovation.

On 27 April 2019, the Company announced the retirement of Dr Lee Keng Thon as a Non-Executive Chairman of the Company, the redesignation of Dr Pang Eng Fong as the Independent Non-Executive Chairman, and the appointment of Dr Lee Chu Muk as a Non-Independent Non-Executive Director, at the conclusion of the annual general meeting held on the same day.

On 11 December 2019, the Group announced that Willis Street Cityfitness Limited (“**WSCL**”) had withdrawn Civil Suit (CIV-2019-485-605) initiated in the High Court of New Zealand, Wellington Registry against Grand Complex Properties Limited (“**GCPL**”), a wholly owned subsidiary of Royal Properties Investment Pte Ltd, which in turn is a wholly owned subsidiary of the Company. WSCL claimed for a total amount of NZD589K for damage for the lack of seismic strength rating of the building and the disturbance of quiet arising from the upgrading works for the ground and first floor retail area of the Grand Arcade Tower.

General developments in FY2020

There were no material changes to the affairs of the Group in FY2020 save for the announcement on 29 June 2020 relating to the appointment of Mr. Lee Chou Hor George as a Non-Independent and Non-Executive Director of the Company.

General developments in FY2021

On 7 April 2021, the Company announced the retirement of Dr Pang Eng Fong as an Independent Director of the Company and the redesignation of Mr Yang Wen-Wei as the Non-Executive Chairman.

The Group announced on 27 August 2021 that its wholly owned subsidiary, Royal Properties Investment Pte Ltd (“**RPPL**”) was notified in writing that Maxwell House at 20 Maxwell Road Singapore 069113 (“**Maxwell House**”) was sold to a joint venture buyer as part of a collective sale for a gross proceed of S\$10.7 million. Maxwell House is an investment property of the RPPL with a strata area of 551 square metres, a 99-year tenure starting from 2 June 1969. RPPL expected to make a capital gain of around S\$9.8 million upon the successful completion of the Collective Sale. On 17 November 2021, the Group announced that RPPL had completed the Collective Sale.

The Group announced on 16 September 2021 that due to the COVID-19 pandemic, the Group will be undergoing an internal group restructuring exercise which will cause the Group to close the hotel operations in Penang. Along with the closure, the hotel conducted a full retrenchment exercise. The restructuring cost is approximately RM2.5 million (S\$0.8 million) which was 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 RM4.0 million (S\$1.3 million).

General developments in 1H2022

There were no material changes to the affairs of the Group in 1H2022.

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Material changes between 1H2022 and the Latest Practicable Date

Save as disclosed in this Offer Information Statement and in public announcements released by the Company, there has been no material change to the affairs of the Group during the period from 1H2022 and the Latest Practicable Date.

-
- (d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing —**
- (i) in the case of the equity capital, the issued capital; or**
 - (ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**
-

As at the Latest Practicable Date, the equity capital and loan capital of the Company are as follows:

| | | |
|----------------------------|---|--|
| Issued and paid-up capital | : | S\$150,665,201 divided into 100,800,000 Shares |
| Number of treasury shares | : | Nil |
| Loan capital | : | Nil |

- (e) where —**
- (i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or**
 - (ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;**
-

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As at the Latest Practicable Date, the interests of the Substantial Shareholders of the Company, based on information recorded in the Register of Substantial Shareholders maintained by the Company are as follows:

| Directors | Direct Interest No. of Shares | Deemed or Indirect Interest No. of Shares | Total Interest No. of Shares | % |
|--|--------------------------------------|--|-------------------------------------|----------|
| Yang Wen-Wei | – | – | – | – |
| Dr Tan Kim Song | – | – | – | – |
| Lee Khin Tien ⁽¹⁾ | 282,240 | – | 282,240 | 0.28 |
| Lee Kin Hong ⁽¹⁾ | 92,736 | 403,200 | 495,936 | 0.49 |
| Dr Lee Chu Muk | – | – | – | – |
| Lee Chou Hor George ^{(1), (2)} | 42,000 | 12,993,680 | 13,035,680 | 12.93 |
| Substantial Shareholders | | | | |
| Lee Chou Tart ^{(1), (3)} | – | 12,979,680 | 12,979,680 | 12.88 |
| Aik Siew Tong Ltd ⁽⁴⁾ | 24,343,200 | 13,865,040 | 38,208,240 | 37.91 |
| Hock Tart Pte Ltd ⁽⁵⁾ | 10,979,680 | 26,343,200 | 37,322,880 | 37.03 |
| The Great Eastern Life Assurance Co Ltd | 11,172,446 | – | 11,172,446 | 11.08 |
| Great Eastern Holdings Limited ⁽⁶⁾ | – | 12,065,757 | 12,065,757 | 11.97 |
| Oversea-Chinese Banking Corporation Limited ⁽⁷⁾ | – | 12,065,757 | 12,065,757 | 11.97 |
| Asia Building Bhd ⁽⁶⁾ | 8,250,480 | 1,386,000 | 9,636,480 | 9.56 |
| Melodies Limited | 9,576,000 | – | 9,576,000 | 9.50 |
| Other Shareholders | | | | |
| The Singapore-Johore Express (Private) Limited | 4,289,040 | – | 4,289,040 | 4.26 |
| Chip Keng Holding Bhd | 1,386,000 | – | 1,386,000 | 1.38 |

Notes:

- (1) Mr Lee Khin Tien and Mr Lee Kin Hong are siblings and Mr Lee Chou Hor George and Mr Lee Chou Tart are their nephews.
- (2) Lee Chou Hor George owns 24.84% of the share capital of Hock Tart Pte Ltd (“**Hock Tart**”). He is deemed interested in the 10,979,680 shares, 24,343,200 shares and 2,000,000 shares held by Hock Tart, Aik Siew Tong Ltd and Oversea-Chinese Bank Nominees Pte Ltd respectively. He is also deemed interested in the 14,000 shares held by his spouse.
- (3) Lee Chou Tart owns 24.84% of the share capital of Hock Tart. He is deemed interested in the 10,979,680 shares, 24,343,200 shares and 2,000,000 shares held by Hock Tart, Aik Siew Tong Ltd and Oversea-Chinese Bank Nominees Pte Ltd respectively.
- (4) Aik Siew Tong Ltd (“**AST**”) holds 83.4% and 69.1% of the share capital of Melodies Limited (“**Melodies**”) and The Singapore-Johore Express (Private) Limited (“**S-J Express**”) respectively and is deemed to be interested in the 9,576,000 shares and 4,289,040 shares held by Melodies and S-J Express respectively.
- (5) Hock Tart holds 31.7% of the share capital of AST and is therefore deemed interested in the 38,208,240 shares held by AST and its nominees. Hock Tart is also deemed to have an interest of 2,000,000 shares held by its nominee, Oversea-Chinese Bank Nominees Pte Ltd.

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- (6) Great Eastern Holdings Limited is deemed interested in 12,065,757 shares comprising 11,172,446 shares held by its wholly-owned subsidiary, Great Eastern Holdings Limited (of which 4,032 shares are registered in the name of DBS Nominees (Private) Limited), and 889,279 shares registered in the name of its subsidiary, The Great Eastern Trust Private Limited (of which 4,032 shares are registered in the name of DBS Nominees (Private) Limited).
- (7) Oversea-Chinese Banking Corporation Limited is deemed to be interested in the 11,172,446 shares held by The Great Eastern Life Assurance Co Ltd through Great Eastern Holdings Ltd.
- (8) Chip Keng Holding Bhd is the wholly-owned subsidiary of Asia Building Bhd. Asia Building Bhd is deemed interested in the 1,386,000 shares held by Chip Keng Holding Bhd.

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- (f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**
-

As at the Latest Practicable Date, the Directors are not aware of any legal or arbitration proceedings to which the Company or any of its subsidiaries is a party, including those which are pending or known to be contemplated, which may have or would have had in the 12 months prior to the date of lodgment of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

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- (g) where any securities, securities-based derivatives contracts or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date —**
- (i) if the securities, securities-based derivatives contracts or equity interests have been issued for cash, state the prices at which the securities or securities-based derivatives contracts have been issued and the number of securities, securities-based derivatives contracts or equity interests issued at each price; or**
 - (ii) if the securities, securities-based derivatives contracts or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities, securities-based derivatives contracts or equity interests; and**
-

The Company has not issued any securities or equity interests for cash or for services within the 12 months immediately preceding the Latest Practicable Date.

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- (h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.**
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The Group has not entered into any material contract not being contracts entered into in the ordinary course of business, within the two (2) preceding years before the lodgment of this Offer Information Statement.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 5: OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from
 - (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
 - (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.
-

Noted.

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:
 - (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
 - (b) earnings or loss per share; and
 - (c) earnings or loss per share, after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.
-

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

The consolidated income statements of the Group for FY2019, FY2020, FY2021, 1H2021 and 1H2022 are as follows:

| | Audited FY2019 S\$'000 | Audited FY2020 S\$'000 | Audited FY2021 S\$'000 | Unaudited 1H2021 S\$'000 | Unaudited 1H2022 S\$'000 |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---|---|
| Revenue | 57,690 | 30,618 | 26,280 | 11,401 | 16,815 |
| Cost of sales | (30,365) | (21,795) | (21,199) | (9,582) | (10,877) |
| Gross profit | 27,325 | 8,823 | 5,081 | 1,819 | 5,938 |
| Other income | 1,753 | 985 | 20,518 | 9,615 | 389 |
| Operating expenses | (14,237) | (10,407) | (11,165) | (4,866) | (5,675) |
| Other expenses | (2,416) | (16,531) | (13,629) | (6,800) | (2,705) |
| Finance cost | (4,048) | (2,971) | (4,163) | (1,915) | (2,368) |
| Profit (Loss) before income tax | 8,377 | (20,101) | (3,358) | (2,147) | (4,421) |
| Income tax (expense) credit | (3,515) | (743) | (7,576) | (75) | 562 |
| Profit (Loss) for the year attributable to equity holders of the Company⁽¹⁾ | 4,862 | (20,844) | (10,934) | (2,222) | (3,859) |
| Basic Earnings per share before the Rights Issue⁽¹⁾ | | | | | |
| Basic earnings (loss) per share (cents) | 4.82 | (20.68) | (10.85) | (2.20) | (3.83) |
| Diluted earnings (loss) per share (cents) | 4.82 | (20.68) | (10.85) | (2.20) | (3.83) |
| Gross dividends declared per share (cents) | 6 | 2.5 | 2.5 | - | - |
| Assuming Maximum Subscription Scenario⁽²⁾ | | | | | |
| Profit per share after adjusting for the Rights Issue | | | | | |
| Basic earnings (loss) per share (cents) | 4.02 | (17.23) | (9.04) | (1.84) | (3.19) |
| Diluted earnings (loss) per share (cents) | 4.02 | (17.23) | (9.04) | (1.84) | (3.19) |
| Gross dividends declared per share (cents) | 6 | 2.5 | 2.5 | - | - |

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| | Audited FY2019 S\$'000 | Audited FY2020 S\$'000 | Audited FY2021 S\$'000 | Unaudited 1H2021 S\$'000 | Unaudited 1H2022 S\$'000 |
|--|------------------------------|------------------------------|------------------------------|--------------------------------|--------------------------------|
| Assuming Minimum Subscription Scenario⁽²⁾ | | | | | |
| Profit per share after adjusting for the Rights Issue | | | | | |
| Basic earnings (loss) per share (cents) | 4.30 | (18.45) | (9.68) | (1.97) | (3.42) |
| Diluted earnings (loss) per share (cents) | 4.30 | (18.45) | (9.68) | (1.97) | (3.42) |
| Gross dividends declared per share (cents) | 6 | 2.5 | 2.5 | – | – |

Notes:

- (1) Calculated based on weighted average number of Shares in issue of 100,800,000 shares in FY2019, FY2020, FY2021, 1H2022 respectively.
- (2) Based on the assumption that the Right Issue is completed at the beginning of the respective periods.

3. Despite paragraph 1 of this Part, where —

- (a) **unaudited financial statements of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the unaudited consolidated financial statements of the relevant entity or unaudited combined financial statements of the group, have been published in respect of the most recently completed financial year; and**
- (b) **the audited financial statements for that year are unavailable,**

the data mentioned in paragraph 1 of this Part in respect of the most recently completed financial year may be provided from such unaudited financial statements, if the directors or equivalent persons of the relevant entity include a statement in the offer information statement that to the best of their knowledge, they are not aware of any reason which could cause the unaudited financial statements to be significantly different from the audited financial statements for the most recently completed financial year.

Not applicable.

4. In respect of —

- (a) **each financial year (being one of the 3 most recently completed financial years) for which financial statements have been published; and**
- (b) **any subsequent period for which interim financial statements have been published,**

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

A review of the past performance of the Group from FY2019 to FY2021 and 1H2022 is set out below.

FY2020 vs FY2019

Revenue

The Group's revenue streams are largely from sales of rooms, food and beverage, rental income from investment properties, and income from financial instruments.

For FY2020, the Group's revenue contracted by 46.9% to S\$30.6 million. This was attributable to the stringent border controls that restricted all kinds of travel as a result of the COVID-19 pandemic. Arrivals to Singapore, Malaysia and Thailand were brought to a standstill, severely affecting the Group's hotel business and operations.

Gross Profit

In FY2020, the Group's gross profit decreased by 67.7% to S\$8.8 million.

Operating Income

Operating income from other sources, such as foreign exchange gain, miscellaneous other income, fell by 43.8% to S\$1.0 million due to an absence of fair value gain on financial assets at fair value through profit or loss and lower time deposit interest income.

Operating Expenses

Operating expenses decreased by 26.9% to S\$10.4 million. This was attributable to the implementation of unpaid leave programme for staff, hiring and wage freezes, as well as cutting utilities consumption and deferring spending on operational requirements and noncritical capital items.

Other Expenses

Other expenses increased from S\$2.4 million to S\$16.5 million due to the impairment of properties in New Zealand, Malaysia and Bangkok as the recoverable amount is lower than its carrying amount.

Finance Costs

Finance costs decreased by 26.6% to S\$3.0 million due mainly to the Group establishing a moratorium of principal repayments with the banks.

Profit before taxation

As a result, the Group posted a pre-tax loss of S\$20.1 million for the financial year ended 31 December 2020, as compared to a pre-tax profit of S\$8.4 million. The Group's hotel operations segment accounted for 78% of the total losses for FY2020. The Group's property investments segment accounted for 23% of the total losses for FY2020 due to lower rental collections and Grand Complex's property impairment loss of S\$3.5 million. The Group's financial investments segment recorded a marginal profit of approximately S\$0.09 million despite an 81.5% drop year-on-year.

FY2021 vs FY2020

Revenue

The Group's revenue streams are largely from sales of rooms, food and beverage, rental income from investment properties, and income from financial instruments.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

In FY2021, the Group's revenue contracted by 14.2% to S\$26.3 million. This was attributable to the stringent border controls that restricted all kinds of travel as a result of the COVID-19 pandemic. Arrivals to Singapore, Malaysia and Thailand were brought to a standstill, severely affecting the Group's hotel business and operations. The significant decrease in business travel and tourist arrivals to Singapore, Malaysia and Thailand brought about by the COVID-19 pandemic measures led to a 17.1% decline in revenue from the Group's hotel segment to \$18.3 million.

Gross Profit

In FY2021, the Group's gross profit was reduced by 42% to S\$5.1 million.

Operating Income

Operating income from other sources, such as foreign exchange gain, miscellaneous other income, fair value gain on derivative financial instruments, gained by more than 100%, from S\$1.0 million in FY2020 to S\$20.5 million in FY2021 mainly due to the gain on disposal of a unit in Maxwell House and from the bargain purchase arising from acquisition of the Royale Chulan Bukit Bintang Hotel.

Other Expenses

Other expenses decreased by 17.6%, from S\$16.5 million in FY2020 to S\$13.6 million in FY2021 due to the reduction in impairment of properties in Malaysia, New Zealand and Bangkok.

Profit before taxation

The Group posted a pre-tax loss of S\$3.4 million in FY2021. The Group's hotel segment saw a 25.1% improvement in profit during FY2021 evidenced by the reduction in its pre-tax loss of S\$13.4 million in FY2020 to a pre-tax loss of S\$10.0 million in FY2021. This was due to the recognition of the bargain purchase gain from the acquisition of the Royale Chulan Bukit Bintang Hotel. The Group's property segment, reported an improvement of S\$14.8 million in FY2021. The increase in profit to S\$11.0 million in FY2021 from a pre-tax loss of S\$3.8 million in FY2020 was primarily due to the disposal of a unit in Maxwell House. Its financial investments segment recorded a pre-tax loss of approximately S\$0.2 million.

1H2022 vs 1H2021

Revenue

The Group's revenue increased by 47.5% from S\$11.4 million in 1H2021 to S\$16.8 million in 1H2022. Group room revenue increased by more than 100% for 1H2022 as compared to 1H2021 mainly due to higher room occupancy and higher room rates due to recovery of business with the gradual easing of the border control in Singapore, Thailand and Malaysia. The increase in food and beverage revenue by 49.5% for 1H2022 as compared to 1H2021 was mainly due to higher breakfast sales. Rental income from investment properties decreased by 15.8% for 1H2022 as compared to 1H2021. This was mainly due to lower contributions from investment properties in the New Zealand subsidiary and reduction of rental income from the sales of the Group's units in Singapore, Maxwell House. The 43.3% increase in rental income from within premises 1H2022 as compared to 1H2021 was mainly due to lesser rental rebates granted to tenants.

Gross Profit

During the first half of 2022 in review, the Group's gross profit increased from S\$1.8 million in 1H2021 to S\$5.9 million in 1H2022.

Other operating income

The decrease in other income for 1H2022 compared to 1H2021 was mainly due to lower miscellaneous income from Grand Complex, foreign exchange gain and fair value gain on financial assets at fair value through profit or loss, offset by higher government grants received.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Other Expenses

Other expenses comprise mainly foreign exchange loss, fair value loss on financial assets at fair value through profit or loss and miscellaneous other expenses. The decrease in other expenses for 1H2022 as compared to 1H2021 was mainly due to lower foreign exchange loss, offset by higher fair value loss on financial assets at fair value through profit or loss.

Finance Costs

The increase in finance costs for 1H2022 as compared to 1H 2021 was mainly due to interest on increased bank drawdown from Malaysia subsidiaries.

Profit before taxation

The hotel operation segment recorded a net loss of S\$1.9 million in 1H2022 (1H 2021: net loss of S\$2.2 million). This was mainly due to better performances in the Singapore and Thailand hotels, offset by lower performances in Malaysia hotels. The performance for the property investment segment decreased by 92.7% or S\$1.7 million from net profit of S\$1.8 million in 1H2021 to net profit of S\$0.1 million in 1H2022. This was mainly due to lower performances from investment properties in New Zealand and Malaysia, offset by better performances from investment properties in Singapore. The financial investment segment's performance decreased by S\$0.5 million from net profit of S\$0.2 million in 1H2021 to net loss of S\$0.3 million in 1H2022. This was mainly due to fair value loss on financial assets.

Financial Position

5. **Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of —**
- (a) **the most recently completed financial year for which audited financial statements have been published; or**
 - (b) **if interim financial statements have been published for any subsequent period, that period.**
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SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

The audited consolidated balance sheet of the Group for FY2021 and the unaudited consolidated balance sheet of the Group for 1H2022 are as follows:-

| | Audited FY2021 S\$'000 | Unaudited 1H2022 S\$'000 |
|---|---------------------------------------|---|
| ASSETS | | |
| Current assets | | |
| Cash and bank balances | 29,139 | 16,819 |
| Financial assets at fair value through profit or loss | 3,898 | 4,739 |
| Financial assets at fair value through other comprehensive income | 8,986 | 6,412 |
| Trade receivables | 3,381 | 2,482 |
| Other receivables, deposits and prepaid expenses | 3,368 | 2,002 |
| Inventories | 918 | 856 |
| Income tax recoverable | 30 | 37 |
| Total current assets | 49,720 | 33,347 |
| Non-current assets | | |
| Other assets | 529 | 768 |
| Financial assets at fair value through other comprehensive income | 18,478 | 18,384 |
| Property, plant and equipment | 615,647 | 608,454 |
| Investment properties | 109,772 | 105,425 |
| Total non-current assets | 744,426 | 733,031 |
| Total assets | 794,146 | 766,378 |
| LIABILITIES AND EQUITY | | |
| Current liabilities | | |
| Bank loans | 29,709 | 12,848 |
| Trade payables | 4,355 | 2,907 |
| Other payables | 4,591 | 3,325 |
| Current income tax liabilities | 715 | 393 |
| Total current liabilities | 39,370 | 19,473 |
| Non-current liabilities | | |
| Other payables | 27 | 30 |
| Retirement benefit obligations | 291 | 371 |
| Long-term bank loans | 166,422 | 175,104 |
| Deferred income tax | 26,866 | 24,948 |
| Total non-current liabilities | 193,606 | 200,453 |

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

| | Audited FY2021 S\$'000 | Unaudited 1H2022 S\$'000 |
|-------------------------------------|------------------------------|--------------------------------|
| Capital and reserves | | |
| Share capital | 150,665 | 150,665 |
| Asset revaluation reserve | 338,010 | 338,010 |
| Employee benefit reserve | 32 | 30 |
| Fair value reserve | 17,645 | 15,605 |
| Translation reserve | (2,232) | (8,626) |
| Retained earnings | 57,050 | 50,768 |
| Total equity | 561,170 | 546,452 |
| Total liabilities and equity | 794,146 | 766,378 |

6. The data mentioned in paragraph 5 of this Part must include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and must in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities or securities-based derivatives contracts;
 - (b) net assets or liabilities per share;
 - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities or securities-based derivatives contracts.

For illustrative purposes only, the following is an analysis of the financial effects of the Rights Issue on the NAV of the Group based on the Group's audited consolidated balance sheet as at 31 December 2021 and the unaudited consolidated balance sheet as at 30 June 2022:

| | As at 31 December 2021 | As at 30 June 2022 |
|--|------------------------|--------------------|
| Before the Rights Issue | | |
| NAV (S\$'000) | 561,170 | 546,452 |
| Number of Shares (excluding treasury shares) | 100,800,000 | 100,800,000 |
| NAV per share (S\$) | 5.57 | 5.42 |
| After the Rights Issue⁽¹⁾ | | |
| <u>Minimum Subscription Scenario</u> | | |
| NAV (S\$'000) | 585,360 | 570,642 |
| Number of Shares (excluding treasury shares) | 112,964,880 | 112,964,880 |
| NAV per share (S\$) | 5.18 | 5.05 |
| <u>Maximum Subscription Scenario</u> | | |
| NAV (S\$'000) | 601,350 | 586,632 |
| Number of Shares (excluding treasury shares) | 120,960,000 | 120,960,000 |
| NAV per share (S\$) | 4.97 | 4.85 |

Notes:-

- (1) Based on the assumption that the Rights Issue is completed at the end of the respective periods and taking into account estimated Net Proceeds for each of the relevant scenarios.
- (2) NAV per Share is based on the NAV and the number of Shares as illustrated.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Liquidity and Capital Resources

7. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of —
- (a) the most recently completed financial year for which financial statements have been published; and
- (b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated statement of cash flows the Group for FY2021 and the unaudited consolidated statement of cash flows of the Group for 1H2022 are as follows:-

| | Audited FY2021 S\$'000 | Unaudited 1H2022 S\$'000 |
|--|---------------------------------------|---|
| Operating activities | | |
| Loss before income tax | (3,358) | (4,421) |
| Adjustments for: | | |
| Depreciation expense | 7,645 | 3,604 |
| Dividend income | (360) | (120) |
| Interest income | — | (19) |
| Allowance for doubtful receivables | 154 | — |
| Write-back of allowance for doubtful receivables | (222) | (9) |
| Write-back of impairment loss on investment properties | (96) | — |
| Interest expense | 4,163 | 2,368 |
| Gain on disposal of investment properties | (9,920) | — |
| Net fair value loss on financial assets at fair value through profit or loss | 11 | 675 |
| Impairment loss on property, plant and equipment | 7,209 | — |
| Fair value gain on derivative financial instruments | (196) | — |
| Bargain purchase gain arising from acquisition of business | (8,328) | — |
| Operating cash flows before movements in working capital | (3,298) | 2,078 |
| Financial assets at fair value through profit or loss | (1,362) | (1,515) |
| Trade and other receivables | 6,307 | 1,848 |
| Inventories | 79 | 41 |
| Trade and other payables | 293 | (2,493) |
| Cash generated from (used in) operations | 2,019 | (41) |
| Interest paid | (4,163) | (2,368) |
| Interest received | — | 19 |
| Dividend received | 360 | 120 |
| Income tax paid | (1,249) | (375) |
| Net cash used in operating activities | (3,033) | (2,645) |

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

| | Audited FY2021 S\$'000 | Unaudited 1H2022 S\$'000 |
|--|---------------------------------------|---|
| Investing activities | | |
| Purchase of financial assets held at fair value through other comprehensive income | (3,139) | (494) |
| Proceeds from disposal of financial assets held at fair value through other comprehensive income | 3,316 | – |
| Proceeds from disposal of investment property | 10,739 | – |
| Additions to property, plant and equipment | (2,437) | – |
| Additions to investment properties | (7,048) | (1,252) |
| Arising from acquisition of business | (56,484) | |
| Proceeds from disposal of investments | – | 1,100 |
| Purchase of property, plant and equipment | – | (2,392) |
| Net cash used in investing activities | (55,053) | (3,038) |
| Financing activities | | |
| Proceeds from bank loans | 90,195 | 15,284 |
| Repayment of bank loans | (16,345) | (18,942) |
| Dividends paid | (2,520) | (2,520) |
| Fixed deposits pledged to banks | 17 | 25 |
| Net cash from (used in) financing activities | 71,347 | (6,153) |
| Net increase (decrease) in cash and cash equivalents | 13,261 | (11,836) |
| Cash and cash equivalents at beginning of year | 15,149 | 28,103 |
| Effect of currency exchange adjustment | (307) | (459) |
| Cash and cash equivalents at end of year | 28,103 | 15,808 |

A review of the cash flow and liquidity of the Group for FY2021 and 1H2022 is set out below:

FY2021

For FY2021, operating cash flow before movements in working capital utilised was approximately S\$3.3 million. Net cash utilised for operating activities, after interest expense of about S\$4.2 million and income tax expense of S\$1.2 million, was S\$3.0 million.

Net cash used in investing activities amounted to S\$55.1 million. This was mainly due to S\$56.5 million incurred for the acquisition of business and S\$7.0 million incurred for additions to investment properties, partially offset by S\$10.7 million received from the disposal of investment property.

Net cash proceeds from financing activities amounted to S\$71.3 million which comprised mainly of S\$73.9 million net proceeds from bank loans, offset by S\$2.5 million of dividend payments.

Cash and cash equivalents as at 31 December 2021 was about S\$28.1 million, an increase of S\$13.0 million over that of 2020.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

1H2022

For 1H2022, operating cash flows before movement in working capital was about S\$2.1 million. Net cash utilised for operating activities, after interest expense of about S\$2.4 million and income tax expense of S\$0.4 million, was S\$2.6 million.

Net cash utilised in investing activities was S\$3.0 million in 1H2022. This was mainly due to additions to investment properties of S\$1.3 million, purchase of property, plant and equipment of S\$2.4 million and offset by proceeds from disposal of investment of S\$1.1 million.

Net cash used in financing amounted to S\$6.2 million, which comprised mainly of S\$3.7 million net repayment of bank borrowings and S\$2.5 million of dividend.

Cash and cash equivalent as at 30 June 2022 was S\$15.8 million, representing a decrease of S\$12.3 million from 31 December 2021.

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- 8. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for at least the next 12 months and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided. When ascertaining whether working capital is sufficient, any financing facilities which are not available as at the date of lodgment of the prospectus must not be included, but net proceeds from the offer may be taken into account if the offer is fully underwritten. Where the offer is not fully underwritten, minimum net proceeds may be included only if it is an express condition of the offer that minimum net proceeds are to be raised and that the application moneys will be returned to investors if the minimum net proceeds are not raised.**
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In the reasonable opinion of the Directors, as at the date of lodgment of this Offer Information Statement, taking into consideration the Group's present bank facilities and barring any unforeseen circumstances, the working capital available to the Group is sufficient for at least the next 12 months.

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- 9. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the relevant entity, provide —**
- (a) a statement of that fact;**
 - (b) details of the credit arrangement or bank loan; and**
 - (c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**
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To the best of the Directors' knowledge, at the date of lodgment of this Offer Information Statement, none of the entities in the Group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities or securities-based derivatives contracts in the Company.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Trend Information and Profit Forecast or Profit Estimate

10. Discuss —

- (a) the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, for the next 12 months from the latest practicable date; and
- (b) any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources for at least the current financial year, or that may cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

The discussion on the business and financial prospects of the Group as set out herein may contain forward-looking statements, and are subject to certain risks. Please refer to the section entitled “*Cautionary Note on Forward-Looking Statements*” of this Offer Information Statement for further details.

COVID-19

The successful development of the COVID-19 vaccines and the oral antiviral medication to treat COVID-19 patients is a major milestone in bringing the pandemic under control. The production and distribution of the vaccines are being accelerated globally. Across many countries, national programmes have been introduced and implemented to increase the vaccination rates among the masses. The production of the oral antiviral pills is still underway and agreements for the supply of the pills have been entered into between certain governments and manufacturers. However, COVID-19 infection rates currently remain high in Europe, the United States and have resurfaced in some parts of Asia including Singapore. In this regard, many governments are still monitoring the spread and infection rates of the virus in their respective countries and adapting their border controls and safe distancing measures accordingly. As the situation is still evolving and affected by uncertainties, the full impact of the COVID-19 pandemic on the Group’s businesses cannot be ascertained at this stage.

The Group continues to focus on the safety and well-being of its customers, tenants, employees and the communities it operates in by keeping various safe distancing and safety measures at the Group’s properties. In order to better weather the COVID-19 crisis, capital and liquidity management remain top priorities for the Group. The Company’s management continues to pay close attention to cash flow management and initiatives to better manage operational costs on an ongoing basis.

Singapore

According to the Ministry of Trade and Industry of Singapore, based on advance estimates,² the Singapore economy grew by 4.4% on a year-on-year basis in the second quarter of 2022, faster than the 3.8% growth recorded in the previous quarter. On a quarter-on-quarter seasonally-adjusted basis, the Singapore economy contracted slightly by 0.2% in the first quarter of 2022, a reversal from the 0.8% expansion in the first quarter.

² Source: Ministry of Trade and Industry of Singapore, “MTI Narrows Singapore’s GDP Growth Forecast for 2022 to “3.0 to 4.0 Per Cent””, published on 11 August 2022, https://www.mti.gov.sg/-/media/MTI/Resources/Economic-Survey-of-Singapore/2022/Economic-Survey-of-Singapore-Second-Quarter-2022/PR_2Q22.pdf. Ministry of Trade and Industry of Singapore has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company has taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, the Company has not conducted an independent review of this information nor verified the accuracy of such information.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

The accommodation sector shrank by 5.3% year-on-year in the second quarter of 2022, an improvement over the 9.4% contraction in the preceding quarter. The sector's poor performance during the quarter was due to a sharp decline in government demand for hotel rooms to serve as quarantine and Stay-Home Notice dedicated facilities, arising from a shift towards home recovery and the relaxation of travel restrictions.³

In the second quarter, total visitor arrivals surged by 2,417% year-on-year, extending the 258% growth in the first quarter. Reflecting the recovery in visitor arrivals, gross lettings at gazetted hotels rose by 112% year-on-year in the second quarter, accelerating from the 36.3% increase in the previous quarter. At the same time, the average occupancy rate of gazetted hotels climbed by 18.9 percentage-points on a year-on-year basis to reach 72.1% in the second quarter. This was higher than the occupancy rate of 60.5% recorded in the first quarter.

Malaysia

According to Bank Negara Malaysia, the Malaysian economy registered a stronger growth of 8.9% in the second quarter of 2022 compared to 5.0% in the first quarter of 2022. Domestic demand continued to strengthen, underpinned by the steady recovery in labour market conditions and ongoing policy support. The higher growth was also reflective of normalising economic activity as the country moved towards endemicity and reopened international borders.⁴

The introduction of quarantine-free travel is expected to boost tourism in Malaysia. Malaysia's Prime Minister announced a plan to reopen borders to all countries for quarantine-free travel from April 2022. While there will be no mandatory quarantine requirements, travellers will have to undergo Covid-19 tests on departure and upon arrival into Malaysia. A number of initiatives have also been announced as part of Malaysia's 2022 Budget to rejuvenate the tourism industry.⁵

³ Source: Ministry of Trade and Industry of Singapore, "Economic Survey of Singapore Second Quarter 2022 Chapter 2: Sectoral Performance", published on 11 August 2022, https://www.mti.gov.sg/-/media/MTI/Resources/Economic-Survey-of-Singapore/2022/Economic-Survey-of-Singapore-Second-Quarter-2022/Ch2_2Q22.pdf. Ministry of Trade and Industry of Singapore has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company has taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, the Company has not conducted an independent review of this information nor verified the accuracy of such information.

⁴ Source: Bank Negara Malaysia, "BNM Quarterly Bulletin Vol. 37 No. 2", published on 12 August 2022, https://www.bnm.gov.my/documents/20124/7923034/qb22q2_book_en.pdf. Bank Negara Malaysia has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company has taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, the Company has not conducted an independent review of this information nor verified the accuracy of such information.

⁵ Source: Bank of Thailand, "Monetary Policy Report – June 2022", released on 20 July 2022, https://www.bot.or.th/English/MonetaryPolicy/MonetPolicyCommittee/MPR/Monetary%20Policy%20Report/MPREng_June2022.pdf. Bank of Thailand has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company has taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, the Company has not conducted an independent review of this information nor verified the accuracy of such information.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Thailand

According to the Bank of Thailand's June 2022 Monetary Policy Report, the Thai economy is expected to continue expanding at 3.3% in 2022 and 4.2% in 2023 driven by a continued recovery in foreign tourist arrivals following the faster relaxation of border controls in Thailand and other countries, as well as a strong recovery in private consumption in line with the recovery in tourism income and purchasing power of high-income households.⁶

In terms of business recovery in the first quarter of 2022, growth in some sectors such as exports manufacturing has already exceeded the pre-COVID levels. Meanwhile, sectors like hotels and transportation has not fully recovered and is expected to return to pre-COVID levels in 2023 once foreign tourist arrivals recover.

New Zealand

Growth has been spread widely across New Zealand's core markets and sectors. Employment levels in all regions are now approximately 3% to 4% higher than at the end of 2019, and many industries have seen significant employment growth since 2019. Combined, employment in office-based industries has increased by more than 37,000 people. Economic trends have translated to positive occupier demand. Combined across Auckland, Wellington and Christchurch, net absorption of prime office space exceeded 50,000 square metres in 2021 after contracting by 10,000 square metres in 2020. Vacancy rates in the Wellington prime office property market increased minimally to a mere 1.1%, while secondary vacancy decreased to just 4.3%. Occupation is being driven by government tenants and lack of office supply.⁷

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- 11. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**
-

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

- 12. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**
-

Not applicable. No profit forecast or profit estimate is disclosed in this Offer Information Statement.

⁶ Source: CBRE, "Kuala Lumpur Hotel Market Outlook & Prospects 2022", released on March 2022, <https://www.cbrehotels.com/-/media/cbre/countrycbrehotels/images/research/kl-hotel-market-outlook-report-2022.pdf>. CBRE has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company has taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, the Company has not conducted an independent review of this information nor verified the accuracy of such information.

⁷ Source: Jones Lang LaSalle, "New Zealand office market snapshot Q2 2022", published on March 2022, <https://www.jll.nz/en/trends-and-insights/research/office-market-snapshot>. CBRE has not consented for the purposes of Sections 249 and 277 of the SFA to the inclusion of the information referred to above and is thereby not liable for such information under Sections 253 and 254 of the SFA. While the Company has taken reasonable actions to ensure that the above information has been reproduced in its proper form and context, the Company has not conducted an independent review of this information nor verified the accuracy of such information.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

13. Where the profit forecast disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions mentioned in paragraph 12 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 13 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by that person, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

15. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement mentioned in paragraph 13 of this Part —
- (a) a statement by the issue manager to the offer, or by any other person whose profession or reputation gives authority to the statement made by that person, prepared on the basis of an examination by that issue manager or person of the evidence supporting the assumptions mentioned in paragraph 12 of this Part, to the effect that no matter has come to the attention of that issue manager or person which gives that issue manager or person reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
 - (b) a statement by an auditor of the relevant entity, prepared on the basis of the auditor's examination of the evidence supporting the assumptions mentioned in paragraph 12 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority to the effect that no matter has come to the auditor's attention which gives the auditor reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Significant Changes

16. Disclose any event that has occurred from the end of —
- (a) the most recently completed financial year for which financial statements have been published; or
 - (b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate statement to that effect.

Save as disclosed in this Offer Information Statement, there is no event that has occurred from 30 June 2022 to the Latest Practicable Date which may have a material effect on the Group's financial position and results.

Meaning of “published”

17. In this Part, “published” includes publication in a prospectus, in an annual report or on the SGXNET.

Noted

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 6: THE OFFER AND LISTING

Offer and Listing Details

1. **Indicate the price at which the securities or securities-based derivatives contracts are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, state the method by which the offer price is to be determined and explain how the relevant entity will inform investors of the final offer price.**
-

The issue price for each Rights Share is S\$2.00, payable in full on acceptance and, if applicable, on application.

The expenses incurred in the Rights Issue will not be specifically charged to subscribers of the Rights Shares.

An administrative fee will be incurred for each Electronic Application made through ATMs of the respective Participating Bank. Such administrative fee shall be borne by the subscribers of the Rights Shares.

2. **If there is no established market for the securities or securities-based derivatives contracts being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**
-

Not applicable as the Shares are traded on the Main Board of the SGX-ST.

3. **If -**

- (a) **any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities or securities-based derivatives contracts being offered; and**
- (b) **the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Not applicable. None of the Shareholders has pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section entitled "*Eligibility of Shareholders to Participate in the Rights Issue*" of this Offer Information Statement for further information.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

4. If securities or securities-based derivatives contracts of the same class as those securities or securities-based derivatives contracts being offered are listed for quotation on any securities exchange -
- (a) in a case where the first-mentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities or securities-based derivatives contracts -
 - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or
 - (b) in a case where the first-mentioned securities or securities-based derivatives contracts have been listed for quotation on the approved exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities or securities-based derivatives contracts -
 - (i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and
 - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;
 - (c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities or securities-based derivatives contracts have been listed for quotation for less than 3 years, during the period from the date on which the securities or securities-based derivatives contracts were first listed to the latest practicable date; and
 - (d) disclose information on any lack of liquidity, if the securities or securities-based derivatives contracts are not regularly traded on the approved exchange.
-

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

The highest and lowest traded prices and volume of the Shares traded on the SGX-ST over the last 12 months immediately preceding the date of lodgment of this Offer Information Statement are as follows:-

| Month | Price Range | | Volume |
|--|-------------|-----------|----------------------|
| | High (S\$) | Low (S\$) | Shares Traded ('000) |
| November 2021 | 3.19 | 2.99 | 11.0 |
| December 2021 | 3.16 | 3.00 | 11.5 |
| January 2022 | 3.05 | 2.90 | 13.7 |
| February 2022 | 3.02 | 2.90 | 19.4 |
| March 2022 | 3.00 | 2.84 | 2.7 |
| April 2022 | 3.00 | 2.82 | 28.8 |
| May 2022 | 2.96 | 2.81 | 13.7 |
| June 2022 | 2.92 | 2.82 | 15.4 |
| July 2022 | 2.95 | 2.84 | 11.3 |
| August 2022 | 2.94 | 2.65 | 14.2 |
| September 2022 | 2.90 | 2.79 | 74.4 |
| October 2022 | 2.89 | 2.03 | 320.1 |
| 1 November 2022 to Latest Practicable Date | 2.11 | 2.07 | 38.3 |

The Shares have been listed on the SGX-ST for more than 12 months immediately preceding the Latest Practicable Date.

There has been no significant trading suspension of the Shares on the SGX-ST during the three years immediately preceding the Latest Practicable Date.

The Shares are regularly traded on the SGX-ST.

-
5. **Where the securities or securities-based derivatives contracts being offered are not identical to the securities or securities-based derivatives contracts already issued by the relevant entity, provide -**
- (a) **a statement of the rights, preferences and restrictions attached to the securities or securities-based derivatives contracts being offered; and**
 - (b) **an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities or securities-based derivatives contracts, to rank in priority to or equally with the securities or securities-based derivatives contracts being offered.**
-

The Rights Shares will be issued out of the general share issue mandate resolution under Section 161 of the Companies Act and Rule 806(2) of the Listing Manual approved by Shareholders at the annual general meeting held on 30 April 2022.

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.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Plan of Distribution

6. **Indicate the amount, and outline briefly the plan of distribution, of the securities or securities-based derivatives contracts that are to be offered otherwise than through underwriters. If the securities or securities-based derivatives contracts are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**

Basis of Provisional Allotment : The Rights Issue is made on a renounceable non-underwritten basis to Entitled Shareholders and up to 20,160,000 Rights Shares will be allotted and issued at the Issue Price. The Rights Shares will be provisionally allotted to the Entitled Shareholders on the basis of one (1) Rights Share for every five (5) existing Shares held by the Entitled Shareholders as at the Record Date.

Fractional entitlements to the Rights Shares will be disregarded in arriving at Entitled Shareholders' allotments and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and used to satisfy excess applications for Rights Shares (if any) or otherwise disposed of or dealt with in such manner as the Directors may in their absolute discretion deem fit for the benefit of the Company.

Entitled Shareholders will be at liberty to accept, decline, renounce or (in the case of Entitled Depositors) trade their provisional allotments of the Rights Shares and will be eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue. Provisional allotments which are not taken up for any reason shall be used to satisfy excess applications (if any) or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots and the Directors and Substantial Shareholders will rank last in priority.

The Rights Issue is not underwritten by any financial institution.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue.

Please refer to the section entitled "*Eligibility of Shareholders to Participate in the Rights Issue*" of this Offer Information Statement for further details.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

- Foreign Shareholders : For practical reasons and in order to avoid any violation of relevant legislation applicable in jurisdictions other than Singapore, Rights Shares will not be offered to Foreign Shareholders. Please refer to the section “*Eligibility of Shareholders to Participate in the Rights Issue*” of this Offer Information Statement for further details.
- Terms and Conditions : The allotment and issue of the Rights Shares pursuant to the Rights Issue is governed by the terms and conditions as set out in this Offer Information Statement, including **Appendices I, II and III**, the PAL, the ARE and the ARS.

The Rights Shares are not offered through any broker or dealer.

-
- 7. Provide a summary of the features of the underwriting relationship together with the amount of securities or securities-based derivatives contracts being underwritten by each underwriter.**
-

Not applicable. The Rights Issue is not underwritten by any financial institution.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 7: ADDITIONAL INFORMATION

Statements by Experts

1. **Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**
-

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

2. **Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert -**
- (a) **state the date on which the statement was made;**
 - (b) **state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**
 - (c) **include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**
-

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

3. **The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 33(2) applies.**
-

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

Consents from Issue Managers and Underwriters

4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**
-

Not applicable. No manager or underwriter has been appointed for the Rights Issue.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Other Matters

5. **Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly -**
- (a) the relevant entity's business operations or financial position or results; or**
 - (b) investments by holders of securities in the relevant entity.**
-

Save as disclosed in this Offer Information Statement, the Directors are not aware of any other matter which could materially affect, directly or indirectly, the Group's business operations, financial position, or results or investments by holders of securities or securities-based derivatives contracts in the Company.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 8: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Not applicable.

PART 9: ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

PART 10: ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES OR SECURITIES-BASED DERIVATIVES CONTRACTS BY WAY OF RIGHTS ISSUE

1. Provide:

(a) the particulars of the Rights Issue;

Please refer to the section entitled "*Principal Terms of the Rights Issue*" of this Offer Information Statement for further details.

(b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the Rights Issue;

(c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the Rights Issue;

(d) the last day and time for renunciation of and payment by the renounee for the securities to be issued pursuant to the Rights Issue;

(e) the terms and conditions of the offer of securities to be issued pursuant to the Rights Issue;

The last day and time for splitting of the provisional allotment of the Rights Shares to be issued pursuant to the Rights Issue is as set out on the cover page, the section entitled "*Expected Timetable of Key Events*", Appendix III to this Offer Information Statement as well as the PAL.

The last day and time for acceptance of and payment for the Rights Shares to be issued pursuant to the Rights Issue is as set out on the cover page, the section entitled "*Expected Timetable of Key Events*", Appendices I, II and III to this Offer Information Statement as well as the PAL, the ARE and the ARS.

The last day and time for renunciation of and payment by the renounee for the Rights Shares to be issued pursuant to the Rights Issue is as set out in the cover page of this Offer Information Statement and the section entitled "*Expected Timetable of Key Events*".

The terms and conditions of the Rights Issue are found in Appendices I, II and III to this Offer Information Statement as well as the PAL, the ARE and the ARS.

(f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

The Undertaking Shareholders, namely:

- (i) Aik Siew Tong Ltd which owns 24,343,200 Shares representing 24.15% of the issued and paid-up share capital of the Company;
- (ii) Hock Tart Pte Ltd which owns 12,979,680 Shares representing 12.88% of the issued and paid-up share capital of the Company;
- (iii) Asia Building Bhd which owns 8,250,480 Shares representing 8.19% of the issued and paid-up share capital of the Company;

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

- (iv) Melodies Limited which owns 9,576,000 Shares representing 9.50% of the issued and paid-up share capital of the Company;
- (v) The Singapore-Johore Express (Private) Limited which owns 4,289,040 Shares representing 4.25% of the issued and paid-up share capital of the Company; and
- (vi) Chip Keng Holding Bhd which owns 1,386,000 Shares representing 1.37% of the issued and paid-up share capital of the Company,

as at the date of the Announcement, have given an Irrevocable Undertaking to the Company on the date of the Announcement to collectively, *inter alia*:

- (a) subscribe and/or procure the subscription and payment for the whole of their entitlements under the Rights Issue of an aggregate of 12,164,880 Rights Shares at an issue price of S\$2.00 each, which amounts to approximately S\$24.3 million; and
- (b) ensure that none of the Shares that they own or control as at the date of the Irrevocable Undertaking are disposed of during the period between the date of the Irrevocable Undertaking and the date of issue of the Rights Shares.

The Undertaking Shareholders are parties acting in concert for the purposes of the Code. As at the Latest Practicable Date, the Undertaking Shareholders collectively hold direct interests of approximately 60.34% in the issued shares of the Company and would not incur a mandatory general offer obligation under the Code regardless of the level of subscription for the Rights Issue.

As the Undertaking Shareholders have undertaken to subscribe for their respective entitlements (subject to preference being given to Shareholders for rounding of odd lots, and Substantial Shareholders and Directors ranking last in priority), the Rights Issue will not be underwritten. The Company will not be required to bear additional costs arising from the payment of a commission to an underwriter.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFER OF INVESTMENTS) (SECURITIES AND SECURITIES-BASED DERIVATIVES CONTRACTS) REGULATIONS 2018

Purely for illustrative purposes only, pursuant to the terms of the Rights Issue and the Irrevocable Undertaking, and assuming the Minimum Subscription Scenario, the number of Shares and the percentage proportion in the issued Shares of the Undertaking Shareholders immediately upon completion of the Rights Issue are as follows:

| | Shareholdings before Rights Issue | | Rights Entitlement ⁽²⁾ | Shareholdings after Rights Issue assuming Minimum Subscription Scenario | |
|--|-----------------------------------|------------------|-----------------------------------|---|------------------|
| | Number of Shares | % ⁽¹⁾ | | Number of Shares | % ⁽³⁾ |
| Aik Siew Tong Ltd | 24,343,200 | 24.15 | 4,868,640 | 29,211,840 | 25.86 |
| Hock Tart Pte Ltd | 12,979,680 | 12.88 | 2,595,936 | 15,575,616 | 13.79 |
| Melodies Limited | 9,576,000 | 9.50 | 1,915,200 | 11,491,200 | 10.17 |
| Asia Building Bhd | 8,250,480 | 8.19 | 1,650,096 | 9,900,576 | 8.76 |
| The Singapore-Johore Express (Private) Limited | 4,289,040 | 4.25 | 857,808 | 5,146,848 | 4.56 |
| Chip Keng Building Bhd | 1,386,000 | 1.37 | 277,200 | 1,663,200 | 1.47 |
| Total | 60,824,400 | 60.34 | 12,164,880 | 72,989,280 | 64.61 |

Notes:-

- (1) Based on the Company's total issued share capital of S\$150,665,201 comprising 100,800,000 Shares.
- (2) Assuming that only the Undertaking Shareholders subscribed for the whole of its entitlements under the Rights Issue.
- (3) Based on the enlarged total issued share capital comprising 112,964,880 Shares immediately after the Rights Issue.

(g) if the Rights Issue is or will not be underwritten, the reason for not underwriting the issue.

The Directors are of the opinion that there is no minimum amount which must be raised from the Rights Issue in view of the Irrevocable Undertaking and that the working capital available to the Group is sufficient to meet its present requirements. Hence, in view of the aforesaid and the savings enjoyed for not having to bear underwriting fees, the Company has decided to proceed with the Rights Issue on a non-underwritten basis.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR THE RIGHTS ISSUE UNDER
APPENDIX 8.2 OF THE SGX-ST LISTING MANUAL**

Review of Working Capital

1. **Provide a review of the working capital for the last three financial years and the latest half year, if applicable.**

The working capital of the Group as at 31 December 2019, 31 December 2020, 31 December 2021 and 30 June 2022 are set out below:-

| (\$'000) | As at 31 December 2019 | As at 31 December 2020 | As at 31 December 2021 | As at 30 June 2022 |
|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------|
| Total current assets | 44,141 | 42,346 | 49,720 | 33,347 |
| Total current liabilities | 22,787 | 17,889 | 39,370 | 19,473 |
| Working capital | 21,354 | 24,457 | 10,350 | 13,874 |

A review of the working capital position of the Group as at 31 December 2019, 31 September 2020, 31 December 2021 and 30 June 2022 is set out below.

FY2020 vs FY2019

The Group's current assets decreased by S\$1.8 million from S\$44.1 million as at 31 December 2019 to S\$42.3 million as at 31 December 2020 mainly due to a decrease in cash and bank balances from S\$20.9 million as at 31 December 2019 to S\$16.2 million as at 31 December 2020.

The Group's current liabilities decreased by S\$4.9 million from S\$22.8 million as at 31 December 2019 to S\$17.9 million as at 31 December 2020 mainly due to a decrease in bank borrowings from S\$9.4 million as at 31 December 2019 to S\$7.3 million as at 31 December 2020.

FY2021 vs FY2020

The Group's current assets increased by S\$7.4 million from S\$42.3 million as at 31 December 2020 to S\$49.7 million as at 31 December 2021 mainly due to an increase cash and bank balances from S\$16.2 million as at 31 December 2020 to S\$29.1 million as at 31 December 2021.

The Group's current liabilities increased by S\$21.5 million from S\$17.9 million as at 31 December 2020 to S\$39.4 million as at 31 December 2021 mainly due to an increase in bank loans from S\$7.3 million as at 31 December 2020 to S\$29.7 million as at 31 December 2021.

1H2022 vs FY2021

The Group's current assets decreased by S\$16.4 million from S\$49.7 million as at 31 December 2021 to S\$33.3 million as at 30 June 2022 mainly due to a decrease in cash and bank balances from S\$29.1 million as at 31 December 2021 to S\$16.8 million as at 30 June 2022.

The Group's current liabilities decreased by S\$19.9 million from S\$39.4 million as at 31 December 2021 to S\$19.5 million as at 30 June 2022 mainly due to a decrease in bank loans from S\$29.7 million as at 31 December 2021 to S\$12.8 million as at 30 June 2022.

**ADDITIONAL DISCLOSURE REQUIREMENTS FOR THE RIGHTS ISSUE UNDER
APPENDIX 8.2 OF THE SGX-ST LISTING MANUAL**

Manager's Responsibility Statement

- 2. A statement by the issue manager that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the issue manager is not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that it is satisfied that the profit forecast has been stated by the directors after due and careful enquiry and consideration.**

As provided in Appendix 8.2 of the Listing Manual, this requirement is not applicable if an issuer has to comply with the offer information statement requirements in the SFA.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

- 1.1. Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SFG Service.
- 1.2. The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded).

The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue, save as provided in paragraph 5.7 of this Appendix I. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and payment for Excess Rights Shares are set out in the Offer Information Statement as well as the ARE.

- 1.3. If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) excess application(s) if the ARE is not accurately completed and signed or if the **“Free Balance”** of your Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the last time and date for acceptance, application, and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the Excess Application is in breach of the terms of the ARE or the Offer Information Statement, at CDP’s absolute discretion, and to return all moneys received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank or through an accepted electronic payment services (such as PayNow) or electronic service delivery networks (**“Accepted Electronic Service”**)), or by crediting his/their designated bank account via CDP’s Direct Crediting Service (DCS) at his/their own risk; in the event he/they are not subscribed to CDP’s DCS, any moneys to be paid shall be credited to his/their Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein), as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR AN ACCEPTED ELECTRONIC SERVICE. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND EXCESS APPLICATION (IF APPLICABLE) VIA THE SGX-SFG SERVICE.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL, and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

- 1.4. Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renounees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- 1.5. Details on the acceptance for provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares are set out in paragraphs 2 to 4 of this Appendix I.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1. Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix II of this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

Instructions for Electronic Applications through an Accepted Electronic Service are set out in the ARE.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK OR AN ACCEPTED ELECTRONIC SERVICE, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

2.2. Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

- (a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept, and the number of Excess Rights Shares applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order / Banker's Draft; and
- (b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for:
 - (i) by post, **AT THE SENDER'S OWN RISK**, in the self-addressed envelope provided, to **HOTEL ROYAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147,**

in each case so as to arrive not later than **5.30P.M. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – HOTEL ROYAL RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3. Acceptance through the SGX-SFG Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through the SGX-SFG service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and the Offer Information Statement as if the ARE had been completed and submitted to CDP.

2.4. Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor; the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix I which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

2.5. Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should:

- (a) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or
- (b) accept and subscribe for that part of his provisional allotment of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

2.6. Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares (“**Purchasers**”) as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS’ OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARSs are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS, accompanied by this Offer Information Statement and other accompanying documents, may obtain the same from CDP or the Share Registrar, for the period up to **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the nil-paid Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. You may obtain a copy from The Central Depository (Pte) Limited. Alternatively, you may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore (“**Foreign Purchasers**”). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7. Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the “Terms and Conditions for Operations of Securities Accounts with CDP”, as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three (3) Market Days to effect such renunciation, Entitled Depositors who wish to renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounee by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renounee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renounee is **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares (including an Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

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4. ILLUSTRATIVE EXAMPLES (ASSUMPTION: ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FIVE (5) EXISTING ORDINARY SHARES AT AN ISSUE PRICE OF S\$3.00)

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of his Securities Account as at the Record Date, the Entitled Depositor will be provisionally allotted 2,000 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives

Procedures to be taken

(a) Accept his entire provisional allotment of 2,000 Rights Shares and (if applicable) apply for Excess Rights Shares.

(1) Accept his entire provisional allotment of 2,000 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service as described herein not later than **9.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 2,000 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S\$4,000 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore, and made payable to "**CDP – HOTEL ROYAL RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" for the full amount due on acceptance and (if applicable) application, by post, at his own risk, in the self-addressed envelope provided to **HOTEL ROYAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

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Alternatives

Procedures to be taken

(b) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on the SGX-ST.

(1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service as described herein not later than **9.30 p.m. on 1 December 2022**; or

(2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 1,000 Rights Shares, and forward the original signed ARE, together with a single remittance for S\$2,000, in the prescribed manner described in alternative (a)(2) above, to CDP, so as to arrive not later than **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 1,000 Rights Shares which is not accepted by the Entitled Depositor may be traded on the SGX-ST during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

(c) Accept a portion of his provisional allotment of Rights Shares, for example 1,000 provisionally allotted Rights Shares, and reject the balance.

(1) Accept his provisional allotment of 1,000 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service as described herein not later than **9.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 1,000 Rights Shares and forward the original signed ARE, together with a single remittance for S\$2,000, in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 1,000 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank or an Accepted Electronic Service by **9.30 p.m. on 1 December 2022** or if an acceptance is not made through CDP by **5.30 p.m. on 1 December 2022**.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1. Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) EXCESS APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

- (A) 9.30 P.M. ON 1 December 2022 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK OR THROUGH AN ACCEPTED ELECTRONIC SERVICE.**
- (B) 5.30 P.M. ON 1 December 2022 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) EXCESS APPLICATION AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR SGX-SFG SERVICE.**

If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy excess applications, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All unsuccessful application moneys received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by crediting their designated bank accounts with the relevant participating bank (if he/they accept and (if applicable) apply through an ATM of the Participating Banks) or through an Accepted Electronic Service or by crediting his/their designated bank account via CDP's Direct Crediting Service (DCS) **AT THE ENTITLED DEPOSITOR'S OR THE PURCHASER'S OWN RISK (AS THE CASE MAY BE)**. In the event that he is not subscribed to the CDP's DCS, any moneys to be returned or refunded shall be credited to his/their Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein) or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

IF AN ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2. Appropriation

Without prejudice to paragraph 1.3 of this Appendix I, an Entitled Depositor should note that:

- (a) by accepting his provisional allotment of Rights Shares and/or applying for Excess Rights Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

CDP, the Company and/or CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;

- (b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and
- (c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3. Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE.** In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Substantial Shareholders and Directors will rank last in priority. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application moneys, as the case may be, will be refunded to such Entitled Depositors, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of the trading of Rights Shares, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic

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Application through an ATM of a Participating Bank or an Accepted Electronic Service), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by crediting their designated bank account via CDP's Direct Crediting Service (DCS) at their own risk; in the event they are not subscribed to CDP's DCS, any moneys to be paid shall be credited to their Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein), as the case may be, (in each case) **AT THEIR OWN RISK** or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for Excess Rights Shares through CDP).

5.4. Deadlines

It should be particularly noted that unless:

- (a) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank or an Accepted Electronic Service and payment of the full amount payable for such Rights Shares is effected by **9.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (b) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**CDP – HOTEL ROYAL RIGHTS ISSUE ACCOUNT**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's order or Banker's Draft is submitted by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **HOTEL ROYAL LIMITED C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or
- (c) acceptance is made by a Depository Agent via the SGX-SFG Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent/(s) for the Rights Shares is effected by **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All unsuccessful application moneys received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom by crediting their designated bank accounts with the relevant participating bank (if he/they accept and (if applicable) apply through an ATM of the Participating Banks) or through an Accepted Electronic Service or by crediting his/their designated bank account via CDP's Direct Crediting Service (DCS) or by means of telegraphic transfer where refunds are to be made to a Depository Agent and at **the ENTITLED DEPOSITOR'S OR PURCHASER'S OR DEPOSITORY AGENT'S OWN RISK (AS THE CASE MAY BE)**. In the event that the Entitled Depositor or Purchaser is not subscribed to CDP's DCS, any moneys to be returned or refunded shall be credited to his/their Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein) or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5. Certificates

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Shares and Excess Rights Shares credited to your Securities Account.

5.6. General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access. Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed in its originality. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post or deposited into boxes located at CDP's premises.

All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

5.7. Personal Data Privacy

By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Entitled Depositor or a Purchaser (i) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Limited, CDP, CPF Board, the SGX-ST and the Company (the "**Relevant Persons**") for the purpose of facilitating his application for the Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with the applicable laws, and (iii) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

6. PROCEDURE TO COMPLETE THE ARE / ARS

1. Know your holdings and entitlement

A. KNOW YOUR HOLDINGS & ENTITLEMENT

Number of Shares currently held by you

XX,XXX

This is your shareholdings as at Record Date.

Shares as at **14 November 2022** (Record Date)

This is the date to determine your rights entitlements.

Number of Rights Shares provisionally allotted

XX,XXX

This is your number of rights entitlement.

Issue Price **\$S\$2.00** per Rights Shares

This is price that you need to pay when you subscribe for one rights share.

2. Select your application options

B. SELECT YOUR APPLICATION OPTIONS

1. PayNow Scan the above QR code using your banking app or pay to **UEN198003912MCAS**. You **must** include your PayNow Reference provided above. Payment amount must correspond to the number of rights shares subscribed, including excess. **Make payment by 9.30 p.m. on 1 December 2022.** ~~You do not need to return this form.~~

This is the last date and time to subscribe for the rights share through ATM and CDP.

2. ATM Follow the procedures set out on the ATM screen of a Participating Bank. Submit your application by **9.30 p.m. on 1 December 2022**. Participating Banks are United Overseas Bank Limited, DBS Bank Ltd (including POSB) and Oversea-Chinese Banking Corporation Limited.

You can apply your rights shares through ATMs of these participating banks.

3. Form Complete section C below and submit this form by **5.30 p.m. on 1 December 2022**, together with BANKER'S DRAFT/CASHIER'S ORDER payable to "**CDP – HOTEL ROYAL LIMITED RIGHTS ISSUE ACCOUNT**". Write your name and securities account number on the back of the Banker's Draft/Cashier's Order.

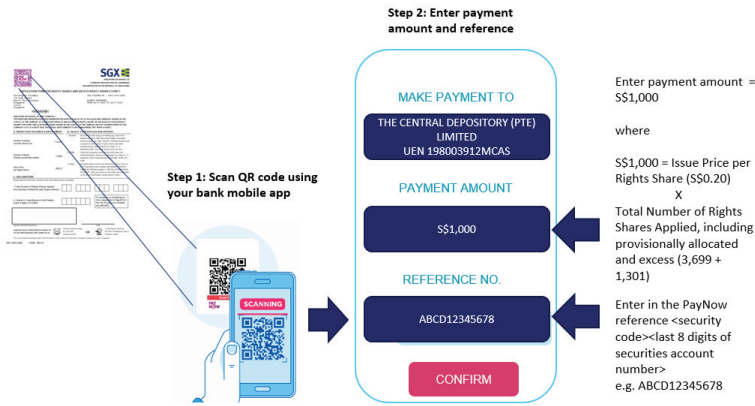
This is the payee name to be issued on your Cashier's Order where XXXXX is the name of the issuer.

Note: Please refer to the ARE/ARS for the actual holdings, entitlements, Record Date, Issue Price, Closing Date for subscription, PayNow reference, list of participating ATM banks and payee name on the Cashier's Order.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

3. Application via PayNow

- Before you proceed to subscribe for rights via PayNow, please make sure you have set up/have the following:
1. Daily limit to meet your transfer request
 2. Notification to alert you on the transfer and refund status
 3. Security code, pre-printed on the form under Section B PayNow
 4. Last 8 digits of securities account number, pre-printed on the form
 5. Payment amount = Issue Price per Rights Share X Total Number of Rights Shares Applied (including provisionally allocated and excess), rounded down to the nearest cent



- Note:**
1. Please make sure the security code and your last 8 digits of securities account number are entered correctly. CDP will reject the application if it is not a valid security code and/or securities account and arrange for refund to your originating bank account. To be notified on the refund, please turn on the setting in your bank account notifications.
 2. You can send up to S\$200,000 per transaction via PayNow capped at your daily fund transfer limit set with your bank, whichever is lower. You can submit multiple PayNow transactions on the same day and across different days if you require to make a payment more than your limit.
 3. CDP aggregates payments received on the same day as one instruction.
 4. CDP will determine the number of rights applied using total payment received on each day, ignoring resultant fractional cent payable if any.
 5. Post allocation, CDP will refund any excess amount to your DCS bank account.

4. Application via Form

Declaration

C. DECLARATION

Please read the instructions overleaf and fill in the blanks below accordingly.

i. Total Number of Rights Shares Applied: (Provisionally Allotted + Excess Rights Shares)

| | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | | | | |
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ii. Cashier's Order/Banker's Draft Details: (Input last 6 digits of CO/BD)

| | | | | | |
|--|--|--|--|--|--|
| | | | | | |
|--|--|--|--|--|--|

Signature of Shareholder(s)

Date

- Fill in the total number of the rights shares and excess rights shares (for ARE)/ number of rights shares (for ARS) that you wish to subscribe within the boxes.
- Fill in the 6 digits of the CO / BD number (eg.001764) within the boxes.
- Sign within the box.

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS

INTRODUCTION

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Bank (the “Steps”).

Please read carefully the terms of this Offer Information Statement, the Steps, and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one (1) Participating Bank cannot be used in respect of the acceptance of the Rights Shares and (if applicable) excess application for Excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the “**Applicant**” in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or the Purchaser who accepts the provisional allotments of Rights Shares or (as the case may be) who applies for the Rights Shares through an ATM of the Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, the Participating Bank before he can make an Electronic Application through an ATM of the Participating Bank.

The actions that the Applicant must take at ATMs of the Participating Bank are set out on the ATM screens of the relevant Participating Bank. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip (the “**Transaction Record**”), confirming the details of his Electronic Application. The Transaction Record is to be retained by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with the Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance or (as the case may be) application liable to be rejected.

For investors who hold Shares through finance companies or Depository Agents, CPFIS Members who had bought Shares under the CPFIS-Ordinary Account or SRS Investors who had bought Shares using their SRS Accounts, acceptances of the Right Shares and (if applicable) applications for Excess Rights Shares must be done through their relevant approved banks which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents (as the case may be). Such investors are advised to provide their relevant approved banks which they hold their CPF Investment Accounts and/or SRS Accounts, finance companies and/or Depository Agents (as the case may be), with the appropriate instructions early in order for such intermediaries to make the relevant acceptance and (if applicable) application on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Application at any ATM of the Participating Bank or Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

For renounees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies, Depository Agents or CPF Agent Banks, acceptances of the Rights Shares represented by the provisional allotment of Rights Shares purchased must be done through the respective finance companies, Depository Agents or CPF Agent Banks. Such renounees or Purchasers are advised to provide their respective finance companies, Depository Agents or CPF Agent Banks, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances on their behalf by the Closing Date. Any acceptance and (if applicable) application made directly through CDP, Electronic Applications at any ATM of the Participating Bank or Accepted Electronic Service, the Share Registrar and/or the Company will be rejected.

An Applicant may accept his provisional allotment of Rights Shares and if applicable, may apply for Excess Rights Shares by way of separate Electronic Applications to accept and subscribe for his provisional allotment of Rights Shares, and if applicable, apply for Excess Rights Shares.

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS

The Electronic Application shall be made on, and subject to, the terms and conditions of this Offer Information Statement, including but not limited to the terms and conditions appearing below:

- (1) In connection with his Electronic Application for the Rights Shares, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:
 - (a) **that he has read, understood and agreed to all the terms and conditions of acceptance of and (if applicable) application for the Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and**
 - (b) **that he consents to the disclosure of information pertaining to his Securities Account maintained in CDP's record, including without limitation, his name, NRIC/passport number, address, nationality, Securities Account number, CPF Investment Account number and application details (the "Relevant Particulars") from his account with that Participating Bank to the Share Registrar, Securities Clearing & Computer Services (Pte) Ltd (SCCS), CDP, the CPF Board, the SGX-ST and the Company and any other relevant parties (the "Relevant Parties") as CDP may deem fit for the purpose of the Rights Issue and his acceptance and/or (if applicable) excess application.**

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the **"Enter"** or **"OK"** or **"Confirm"** or **"Yes"** key, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two (2) statements above. In respect of statement 1(b) above, his confirmation, by pressing the **"Enter"** or **"OK"** or **"Confirm"** or **"Yes"** key, as the case may be, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act 1970 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars of his account with that Participating Bank to the Relevant Parties.

- (2) An Applicant may make an Electronic Application through an ATM of any Participating Bank for the Rights Shares using cash only by authorising such Participating Bank to deduct the full amount payable from his account with such Participating Bank.
- (3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of the Rights Shares provisionally allotted and Excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares represented by the provisional allotment of the Rights Shares as may be standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of such Excess Rights Shares or not to allot any number of Excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.
- (4) If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the **"Enter"** or **"OK"** or **"Confirm"** or **"Yes"** key, as the case may be, on the ATM) of the number of Rights Shares accepted and/or (if applicable) Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied that may be allotted to him.
- (5) In the event that the Applicant accepts the Rights Shares by way of an ARE and/or an ARS (as the case may be) and/or by way of acceptance through the Electronic Application through the ATM of a Participating Bank or an Accepted Electronic Service, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or combination thereof as they may, in their absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the aggregate number of provisionally

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS

allotted Rights Shares that are standing to the credit of the “Free Balance” of his Securities Account which is available for acceptance and payment as at the Closing Date and the aggregate number of Rights Shares which have been accepted by the Applicant by way of ARE and/or ARS (as the case may be) and by Electronic Application through an ATM or an Accepted Electronic Service. The Company and/or CDP, in determining the number of Rights Shares for which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of the Rights Shares, whether by way of Cashier’s Order or Banker’s Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or ARS or by way of acceptance through the Electronic Application through an ATM of the Participating Bank or an Accepted Electronic Service, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his acceptance.

- (6) If applicable, in the event that the Applicant applies for Excess Rights Shares both by way of an ARE and by way of application through the Electronic Application through an ATM of the Participating Bank or an Accepted Electronic Service, the Company and/or CDP shall be authorised and entitled to accept the Applicant’s instructions in whichever mode or a combination thereof as they may, in their absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Applicant has validly given instructions to apply for, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he has applied by way of the ARE, and by Electronic Application through an ATM of the Participating Bank or an Accepted Electronic Service. The Company and/or CDP, in determining the number of Excess Rights Shares which the Applicant has given valid instructions to apply for, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application for the Excess Rights Shares, whether by way of Cashier’s Order or Banker’s Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application by Electronic Application through an ATM of the Participating Bank or an Accepted Electronic Service, which the Applicant has authorised or is deemed to have authorised to be applied towards the payment in respect of his application.
- (7) The Applicant irrevocably requests and authorises the Company to:
- (a) register or procure the registration of the Rights Shares and (if applicable) the Excess Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;
 - (b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application moneys, should his Electronic Application in respect of the Rights Shares not be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant’s bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of the trading of Rights Shares; and
 - (c) return or refund without interest or any share of revenue or other benefit arising therefrom) the balance of the application moneys, should his Electronic Application for Excess Rights Shares be accepted in part only, by automatically crediting the Applicant’s bank account with his Participating Bank with the relevant amount within three (3) business days after the commencement of the trading of Rights Shares.
- (8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS NOMINEE OF ANY OTHER PERSON.**
- (9) The Applicant irrevocably agrees and acknowledges that the submission of his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses, theft (in each case whether or not within the control of the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank)

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS

and any other events whatsoever beyond the control of the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank and if, in any such event, the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank do not record or receive the Applicant's Electronic Application by **9.30 p.m. on 1 December 2022**, or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against the Company, CDP, the CPF Board, the Share Registrar and/or the Participating Bank in respect of any purported acceptance thereof and (if applicable) excess application therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.

- (10) **Electronic Applications may only be made through an ATM of the Participating Bank from Mondays to Saturdays (excluding public holidays) between 7.00 a.m. to 9.30 p.m.**
- (11) Electronic Applications shall close at **9.30 p.m. on 1 December 2022** or such other time as the Company may, in its absolute discretion, decide, which shall be announced by or on behalf of the Company.
- (12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.
- (13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made through the ATMs of Participating Bank which does not strictly conform to the instructions set out on the ATM screens of such Participating Bank will be rejected.
- (14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application moneys will be refunded in S\$ (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's account with the relevant Participating Bank within three (3) business days after the commencement of the trading of Rights Shares. An Electronic Application may also be accepted in part, in which case the balance amount of application moneys will be refunded on the same terms.
- (15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Bank and agreeing to close the Rights Issue at **9.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as the Company may, in its absolute discretion, decide) and by making and completing an Electronic Application, the Applicant agrees that:
 - (a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplemental or replacement document is lodged with the Authority);
 - (b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by, and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;
 - (c) none of the Company, CDP, the CPF Board, the Share Registrar, or the Participating Bank shall be liable for any delay, failure or inaccuracy in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company, CDP or the Participating Bank due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS

- (d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of the provisionally allotted Rights Shares and (if applicable) application for Excess Rights Shares;
 - (e) in respect of the Rights Shares and/or Excess Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and
 - (f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any term of such contracts. Notwithstanding any term contained in herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where the third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- (16) The Applicant should ensure that his personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and/or other correspondence will be sent to his address last registered with CDP.
- (17) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.
- (18) In the event that the Applicant accepts or subscribes for the provisionally allotted Rights Shares or (if applicable) applies for Excess Rights Shares, as the case may be, by way of ARE and/or ARS and/or by way of Electronic Application through any ATM of the Participating Bank or an Accepted Electronic Service, the provisionally allotted Rights Shares and/or Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their absolute discretion, deem fit and the amount paid on acceptance and (if applicable) application or the surplus application moneys, as the case may be, will be refunded, without interest or any share of revenue or other benefit arising therefrom, within three (3) business days after the commencement of the trading of Rights Shares by any one (1) or a combination of the following:
- (a) by crediting his designated bank account via CDP's Direct Crediting Service (DCS) at his own risk; in the event he is not subscribed to CDP's DCS, any moneys to be paid shall be credited to his Cash Ledger and subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Account with the Depository Terms and Conditions (Cash Ledger and Cash Distribution are as defined therein), as the case may be, (in each case) at his own risk; and/or
 - (b) crediting the Applicant's bank account with the relevant Participating Bank at his own risk if he accepts and (if applicable) applies through an ATM of the Participating Bank, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder.

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS

- (19) The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of the Rights Shares which he can validly accept, the Company and/or CDP are entitled and the Applicant hereby authorises the Company and/or CDP to take into consideration:
- (a) the total number of Rights Shares represented by the provisional allotment of the Rights Shares that the Applicant has validly accepted, whether under the ARE(s), the ARS, and/or any other application form (including Electronic Application through an ATM or an Accepted Electronic Service) for the Rights Shares and/or Excess Rights Shares;
 - (b) the total number of Rights Shares represented by the provisional allotment of the Rights Shares standing to the credit of the “Free Balance” of the Applicant’s Securities Account which is available for acceptance; and
 - (c) the total number of Rights Shares represented by the provisional allotment of the Rights Shares which has been disposed of by the Applicant.

The Applicant acknowledges that the Company’s and/or CDP’s determination shall be conclusive and binding on him.

- (20) The Applicant irrevocably requests and authorises the Company and/or CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of the Rights Shares accepted by the Applicant and (if applicable) the Excess Rights Shares which the Applicant has applied for.
- (21) With regard to any acceptance, application and/or payment which does not conform strictly to the instructions set out under this Offer Information Statement, the PAL, the ARE, the ARS, (if applicable) the Constitution of the Company and/or other application form for the Rights Shares in relation to the Rights Issue or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the PAL, the ARE, the ARS and/or any other application form for the Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, or where the “Free Balance” of the Applicant’s Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares subscribed as at the Closing Date, the Company and/or CDP may, at their absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other processes all remittances at any time after receipt in such manner as it may deem fit.
- (22) The Company and/or CDP shall be entitled to process each Electronic Application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Applicant, on its own, without regard to any other application and payment that may be submitted by the same Applicant. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for the acceptance of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

Acceptances of the provisional allotment of and any excess application for the Rights Shares must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.

Entitled Scripholders are entitled to receive this Offer Information Statement together with the following documents which are enclosed herewith, and are deemed to constitute a part of, this Offer Information Statement:

Renounceable PAL incorporating:

| | |
|---------------------------------------|--------|
| Form of Acceptance | Form A |
| Request for Splitting | Form B |
| Form of Renunciation | Form C |
| Form of Nomination | Form D |
| Excess Rights Shares Application Form | Form E |

The provisional allotments of the Rights Shares and application for Excess Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the PAL. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlement(s), if any, having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Rights Shares in excess of their entitlements under the Rights Issue. Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in the PAL.

THE FULL AMOUNT PAYABLE FOR THE RELEVANT NUMBER OF RIGHTS SHARES ACCEPTED/ APPLIED FOR WILL BE ROUNDED UP TO THE NEAREST WHOLE CENT, IF APPLICABLE.

Where any acceptance, application and/or payment does not conform strictly to the instructions set out under this Offer Information Statement, the ARE, the ARS, the PAL, (if applicable) the Constitution of the Company and/or any other application form for the Rights Shares and/or Excess Rights Shares, or is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other processes of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and the Share Registrar shall be entitled to process each application submitted for the acceptance of Rights Shares, and where applicable, application of Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renounee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or renounee. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares should note that all dealings in and transactions of the provisional allotments of Rights Shares through SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.

Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL, a person who is not a party to any contracts made pursuant to this PAL and/or this Offer Information Statement has no right under the Contracts (Rights of Third Parties) Act 2001 of Singapore to enforce any term of such contracts.

Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

(a) Form of Acceptance (FORM A)

Entitled Scripholders who wish to accept their entire provisional allotment of Rights Shares or to accept any part of it and decline the balance should complete and sign the Form of Acceptance (Form A) for the number of Rights Shares which they wish to accept and forward the PAL at the sender's own risk, in its entirety, duly completed and signed, together with a single remittance for the payment in the prescribed manner to **HOTEL ROYAL LIMITED C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 77 ROBINSON ROAD, #06-03 ROBINSON 77, SINGAPORE 068896**, so as to arrive not later than **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(b) Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder and (if applicable) the Excess Rights Shares applied for by the Entitled Scripholder, the attention of the Entitled Scripholder is drawn to paragraph (c) of this Appendix III which sets out the circumstances and manner in which the Company and the Share Registrar shall be entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

(c) Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that, the Company and the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of cashier's order or banker's draft drawn on a bank in Singapore to be applied towards the payment of his acceptance of Rights Shares.

(d) Request for Splitting Form (FORM B) and Form of Renunciation (FORM C)

Entitled Scripholders who wish to accept a portion of their provisional allotments of Right Shares and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one (1) person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs ("**Split Letters**") according to their requirements. The duly completed Form B together with the PAL, in its entirety, duly completed and signed, should be returned by post in the self-addressed envelope provided, at the sender's own risk, to reach **HOTEL ROYAL LIMITED C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 77 ROBINSON ROAD, #06-03**

APPENDIX III – PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

ROBINSON 77, SINGAPORE 068896, not later than **5.00 p.m. on 25 November 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B (together with the PAL in its entirety) is received after **5.00 p.m. on 25 November 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The Company reserves the right to reject any request for Split Letters if, in the opinion of the Directors, the Rights Shares requested for in the Split Letters are in unreasonable denominations. The surrender of the PAL purported to be signed by an Entitled Scripholder shall be conclusive evidence in favour of the Company, the Share Registrar and any other person involved in the Rights Issue of the title of the person(s) lodging it, or on whose behalf it is lodged, to deal with the same and to receive Split Letter(s) and to have credited to that person's Securities Account with CDP the Rights Shares allotted to him or, if relevant, to receive physical share certificate(s) and/or to receive any statement from CDP and/or refund of acceptance or application moneys. Instructions relating to acceptance, payment, renunciation, nomination and consolidation set out in the PAL shall apply to the Split Letters received consequent upon the original provisional allotment of Rights Shares being split.

The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing the Form for Renunciation (Form C) before delivery to the renounee(s). Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any, and forward the said Split Letter(s) together with remittance for the payment in the prescribed manner to **HOTEL ROYAL LIMITED C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 77 ROBINSON ROAD, #06-03 ROBINSON 77, SINGAPORE 068896**, so as to arrive not later than **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one (1) person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renounee(s).

The surrender of the PAL purported to be signed by an Entitled Scripholder shall be conclusive evidence in favour of the Company, the Share Registrar and any other person involved in the Rights Issue of the title of the renounee to deal with it and (if applicable) to receive Split Letters and to have credited to the renounee's Securities Account with CDP the Rights Shares renounced to him or, if relevant, to receive physical share certificate(s) for the Rights Shares and/or to receive any statement from CDP and/or return or refund of surplus acceptance moneys.

(e) Form of Nomination (with Consolidated Listing Form) (Form D)

Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing Form A (Form of Acceptance) and the Consolidated Listing Form in Form D (Form of Nomination) of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renounee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in Form D of only one PAL or Split Letter (the "**Principal PAL**") by entering therein details of the

APPENDIX III – PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them. **ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).** All duly completed and signed Form Ds, together with the PAL in its entirety, together with payment in the prescribed manner, are to reach **HOTEL ROYAL LIMITED C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 77 ROBINSON ROAD, #06-03 ROBINSON 77, SINGAPORE 068896**, not later than **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(f) Payment

Payment for full amount due on acceptance and/or application in relation to the PALs must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to "**HOTEL ROYAL LIMITED**" and crossed "**NOT NEGOTIABLE, A/C PAYEE ONLY**" with the name and address of the Entitled Scripholder or accepting party clearly written in block letters on the reverse side of the Banker's Draft or Cashier's Order. The completed PAL and remittance should be addressed and forwarded, by post in the self-addressed envelope provided at the sender's own risk, to **HOTEL ROYAL LIMITED C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 77 ROBINSON ROAD, #06-03 ROBINSON 77, SINGAPORE 068896**, so as to arrive not later than **5.30 P.M. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

If acceptance and payment in the prescribed manner as set out in the PAL is not received by **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapsed and become void and such provisional allotments not so accepted will be used to satisfy Excess Applications, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return all unsuccessful application moneys received in connection therewith **BY ORDINARY POST** and at the risk of the Entitled Scripholders or their renounee(s), as the case may be, without interest or share of revenue or benefit arising therefrom within three (3) business days after the commencement of the trading of the Rights Shares.

(g) Excess Rights Shares Application Form (Form E)

Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing and signing the form for the application for Excess Rights Shares Application Form (Form E) and forwarding it with a **SEPARATE REMITTANCE** for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out above, by post in the self-addressed envelope provided at their own risk, to **HOTEL ROYAL LIMITED C/O THE SHARE REGISTRAR, B.A.C.S. PRIVATE LIMITED, 77 ROBINSON ROAD, #06-03 ROBINSON 77, SINGAPORE 068896**, so as to arrive not later than **5.30 p.m. on 1 December 2022** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

FORM E IS NOT TRANSFERABLE AND MAY ONLY BE USED BY THE ENTITLED SCRIPHOLDERS NAME HEREIN.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

The Excess Rights Shares are available for application subject to the terms and conditions contained in this Offer Information Statement, (if applicable) the Constitution of the Company and instructions contained in the PAL (including Form E). Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders or their respective renounee(s) or the Purchaser(s) of the provisional allotments of Rights Shares, the unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, (if applicable) the Constitution of the Company and instructions contained in the PAL (including Form E) and/or any other application form for the Rights Shares.

In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of Excess Rights Shares, preference will be given 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) shall rank last in priority. The Company reserves the right to allot the Excess Rights Shares applied for under Form E in any manner as the Directors may deem fit and to refuse, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever.

In the event that the number of the Excess Rights Shares allotted to Entitled Scripholders is less than the number of Excess Rights Shares applied for, Entitled Scripholders shall be deemed to have accepted the number of Excess Rights Shares actually allotted to them.

If no Excess Rights Shares are allotted to Entitled Scripholders or if the number of Excess Rights Shares allotted to them is less than that applied for, it is expected that the amount paid on application or the surplus of the application moneys for Excess Rights Shares received by the Company, as the case may be, will be refunded to them by the Company without interest or any share of revenue or other benefit arising therefrom within three (3) business days after the commencement of the trading of Rights Shares, by means of a crossed cheque drawn on a bank in Singapore and sent **BY ORDINARY POST** at their **OWN RISK** to their mailing addresses as maintained with the Share Registrar.

(h) General

No acknowledgements or receipts will be issued in respect of any acceptances, remittances or applications.

Entitled Scripholders or renounees (as the case may be) who are in doubt as to the action they should take should consult their stockbroker, bank manager, legal adviser, accountant or other professional adviser immediately.

Upon listing and quotation of the Rights Shares on the SGX-ST, any trading of the Rights Shares on the SGX-ST will be via the book-entry (scripless) settlement system. All dealings in, and transactions (including transfers) of the Rights Shares effected through SGX-ST and/or CDP shall be made in accordance with CDP's "**Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited**", as the same may be amended from time to time. Copies of the above are available from CDP.

To facilitate scripless trading, Entitled Scripholders and their renounees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares and who wish to trade the Rights Shares issued to them on the SGX-ST under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already

APPENDIX III – PROCEDURES FOR ACCEPTANCE, SPLITTING, RENUNCIATION, EXCESS APPLICATION AND PAYMENT BY ENTITLED SCRIPHOLDERS

maintain such Securities Accounts) before accepting any Rights Shares or applying for any Excess Rights Shares in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts. Entitled Scripholders and their renounees who wish to accept and/or apply for the provisional allotments of the Rights Shares and (if applicable) apply for the Excess Rights Shares must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renounees who fail to do so or whose particulars are incorrect or invalid or whose particulars as provided differ from those particulars in their Securities Accounts currently maintained with CDP will be issued physical share certificates in their own names for the Rights Shares allotted to them and if applicable, the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will be sent BY ORDINARY POST to person(s) entitled thereto at his/their OWN RISK. Physical share certificates will not be valid for delivery pursuant to trades done on the SGX-ST under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If the Entitled Scripholders' addresses stated in the PALs are different from their addresses registered with CDP, they must inform CDP of their updated addresses promptly, failing which the notification letters on successful allotments will be sent to their addresses last registered with CDP. A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly stamped and executed instrument(s) of transfer in favour of CDP, pay the applicable fees and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.

THE FINAL TIME AND DATE FOR ACCEPTANCES AND/OR APPLICATIONS AND PAYMENT FOR THE RIGHTS SHARES UNDER THE RIGHTS ISSUE IS 5.30 P.M. ON 1 DECEMBER 2022 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).

(i) Personal Data Privacy

By completing and delivering the PAL, an Entitled Scripholder or a renounee (i) consents to the collection, use and disclosure of his personal data by the Share Registrar, CDP, the CPF Board, SGX-ST and the Company for the purpose of facilitating his application for the Rights Shares, and in order for the aforesaid persons to comply with any applicable laws, listing rules, regulations and/or guidelines, (ii) warrants that where he discloses the personal data of another person, such disclosure is in compliance with the applicable laws, and (iii) agrees that he will indemnify the Share Registrar, CDP, the CPF Board, SGX-ST and the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

APPENDIX IV – LIST OF PARTICIPATING BANKS

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM

- (a) United Overseas Bank Limited
- (b) DBS Bank Ltd (including POSB)
- (c) Oversea-Chinese Banking Corporation Limited

This Offer Information Statement is dated this 15 November 2022.

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

For and on behalf of **HOTEL ROYAL LIMITED**

YANG WEN-WEI

DR TAN KIM SONG

LEE KIN HONG

DR LEE CHU MUK

LEE KHIN TIEN

LEE CHOU HOR GEORGE