



Hotel Properties Limited (Co. Reg No : 198000348Z)

Acquisition of Additional Shares in Shah Alam Hotel Sdn Bhd

The Directors of Hotel Properties Limited (“HPL” or “the Company”) wish to announce that its wholly-owned subsidiary HPL Properties (SEA) Pte Ltd (“HPLSEA”), has entered into an agreement for HPLSEA to acquire an additional 10% equity interests in the capital of Shah Alam Hotel Sdn Bhd (“Shah Alam”), a company incorporated in Malaysia, for a nominal consideration of RM1.

Shah Alam was originally owned by ISY Holdings Sdn Bhd and HPLSEA in the proportion of 60% and 40% respectively. With this acquisition of the additional 10% equity from ISY Holdings Sdn Bhd, HPLSEA now holds 50% of the equity interest in Shah Alam.

The principal activity of Shah Alam is that of the operation and management of Shah Alam Hotel in Malaysia.

The purchase consideration has been agreed between the parties on a willing buyer, willing seller basis and has no material impact on the net tangible asset value per share of the HPL Group for the financial period ended 31 December 2004.

No Director or controlling shareholder or substantial shareholder of the Company has an interest, direct or indirect, in the above matter.

By Order of the Board
Mr Boon Suan Lee & Ms Chuang Sheue Ling
Joint Company Secretaries
Dated: 24 March 2005