



HOTEL PROPERTIES LIMITED
Co. Reg No : 198000348Z

Acquisition of new associated companies: Promus Private Limited and Six Senses Mauritius BVI Limited (the “Acquisitions”)

The Board of Directors of Hotel Properties Limited (“HPL” or the “Company”) wishes to announce that its 50%-owned associated company, Leisure Ventures Pte Ltd (“Leisure Ventures”), has entered into a Share Sale Agreement (the “Agreement”) with Hibernia Worldwide Finance BV (“Hibernia”) and Ramon Investments Limited (“Ramon”) to acquire 100% of the equity of Promus Private Limited, a company incorporated in the Republic of Maldives (“Promus”).

The Agreement is for the purchase of 950,000 Class D shares from Ramon, 2,383,298 Class C shares from Hibernia and it includes the purchase of Six Senses Mauritius BVI Limited, a company incorporated in British Virgin Islands (“SSMB”), a wholly owned subsidiary of Hibernia that holds the balance 1,416,702 Class A Shares and 1,916,600 Class B Shares in Promus.

The authorised and issued share capital of Promus is Maldivian Rufiyaa (“MRF”) 66,666,000 comprising 1,416,702 Class A Shares, 1,916,600 Class B Shares, 2,383,298 Class C Shares and 950,000 Class D Shares of par value MRF 10 each. The audited net tangible assets of Promus as at 31 December 2011 is USD26.84 million. The authorised share capital of SSMB is USD2,500,000 comprising 2,500,000 shares of par value USD1 each and the issued share capital of SSMB is USD1,304,857 comprising 1,304,857 shares of par value USD1 each. The net tangible assets of SSMB as at 31 December 2011 is USD2.07 million.

The principal activity of Promus is that of a hotelier and is the owner of Soneva Gili Resort and Spa, Maldives (the “Resort”). The Resort consists of 45 over-water villas located on the leasehold island of Lankanfushi Island, North Male Atoll, Republic of Maldives. SSMB is an investment holding company with its only investment in the shares of Promus.

The above Acquisitions will allow the HPL Group to expand its presence in the Maldives with the addition of an established luxury island resort in an increasingly popular tourist destination. The Maldives is renowned for its pristine white sand, clear blue water and world-class dive sites with an abundance of marine life.

The consideration for the Acquisitions is approximately USD27.41 million and the assumption of the existing bank loan of approximately USD10.09 million (“Purchase Consideration”). The Purchase Consideration will be adjusted based on the audited financial statement of Promus on the closing date, which is expected to be on 2 July 2012. The Purchase Consideration was negotiated at arm’s length and determined on a “willing buyer-willing seller” basis taking into consideration the market value of the business and will be satisfied wholly in cash on completion of the Acquisitions. It is intended that the Purchase Consideration will be funded by internal resources of Leisure Ventures and loans from financial institutions.

The proposed Acquisitions are not expected to have any material effect on the consolidated net tangible asset value and earnings per share of the HPL Group based on the audited consolidated financial statements of the HPL Group for the year ended 31 December 2011.

Other than Mr. Ong Beng Seng, the Managing Director and a deemed substantial shareholder of HPL, who is deemed to be interested in the balance of 50% interest in Leisure Ventures through Rizona (Hong Kong) Limited, no Director, controlling shareholder or substantial shareholder of the Company has an interest, direct or indirect, in the above Acquisitions.

By Order of the Board

Lo Swee Oi
Company Secretary
Dated: 22 May 2012