



## HOTEL PROPERTIES LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No.: 198000348Z)

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## ACQUISITION OF PROPERTY AT 29-30 OLD BURLINGTON STREET, LONDON

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### 1. INTRODUCTION

The Board of Directors of Hotel Properties Limited (the “**Company**” or “HPL”) wishes to announce that its wholly-owned subsidiary HPL (Mayfair) Pte. Ltd. (“**HPL Mayfair**”) has entered into a shareholders’ agreement (“**Shareholders’ Agreement**”) with Old Burlington Limited (“**Old Burlington**”) and NL (Pollen) Limited (“**NL Pollen**”) to form a joint venture (the “**Joint Venture**”) to purchase a freehold and income-producing property located at 29-30 Old Burlington Street, London, the United Kingdom (the “**Property**”)

### 2. The Property

The Joint Venture has entered into a sale and purchase agreement to purchase the Property from Standard Life Assurance Limited (the “**Vendor**”) for a consideration of £85 million (the “**Purchase Price**”). The Purchase Price is to be paid in two separate tranches:

- (i) £8.5 million (being 10% of the Purchase Price) has been paid on the date of the sale and purchase agreement in relation to the Property; and
- (ii) £76.5 million (being 90% of the Purchase Price) to be paid on the date of completion of the sale and purchase of the Property, which is currently expected to be 30 November 2012.

A further £5 million will be payable on receipt of satisfactory planning permission to convert to residential use.

The Purchase Price was negotiated at arm’s length on a “*willing-buyer, willing-seller*” basis, taking into consideration, *inter alia*, the current market valuation of the Property and its redevelopment potential.

It is intended that the acquisition of the Property shall be funded by way of a combination of third party loan financing and equity capital.

### 3. Shareholding in the Joint Venture

The Joint Venture is owned by the following parties:-

HPL Mayfair	65%
Old Burlington	25%
NL Pollen	10%
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	100%
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The joint venture company, Ten Acre (Mayfair) Limited (the “**JVC**”), is incorporated in Jersey for the purposes of undertaking the Joint Venture. JVC has incorporated two wholly-owned

subsidiaries, Ten Acre (Mayfair) One Limited (“**JCo1**”) and Ten Acre (Mayfair) Two Limited (“**JCo2**”).

The issued share capital of the JVC at the date of this Announcement is £11,710,000 comprising (i) 1,171,000 A ordinary shares; (ii) 7,611,500 B ordinary shares; and (iii) 2,927,500 C ordinary shares, of £1.00 each held by NL Pollen, HPL Mayfair and Old Burlington respectively.

The issued share capital of JCo1 as at the date of this Announcement is £1.00 comprising one ordinary share of £1.00 held by the JVC.

The issued share capital of JCo2 as at the date of this Announcement is £1.00 comprising one ordinary shares of £1.00 each held by the JVC.

#### **4. Management of the Project**

The Joint Venture has appointed Native Land Limited (“**Native Land**”) as development manager of the project.

Native Land is a privately owned, specialist residential development company operating in the prime central London market.

#### **5. Information on Old Burlington and NL Pollen**

Old Burlington is a wholly-owned subsidiary of AmCorp Properties Berhad, a publicly listed company quoted on BURSA Malaysia engaged in, *inter alia*, property development.

NL Pollen is a newly formed entity held by Native Land, Montrose Land & Developments Limited and Buccleuch Estates Limited.

#### **6. RATIONALE**

The acquisition of the Property will allow the HPL Group to expand its property portfolio in central London.

The Property is located between Old Burlington Street and Cork Street, in the heart of east Mayfair area, within the city of Westminster, central London. Mayfair is one of London’s most prestigious retail and residential areas. The Mayfair area contains famous retail streets in the United Kingdom, including (New and Old) Bond Street and is well served by public transport with the Bond Street and Oxford Circus underground stations and numerous bus routes in the vicinity.

The freehold site on which the Property is sited has a total land area of approximately 14,890 square feet. The Property is presently an existing tenanted commercial property, and comprises 67,342 square feet arranged over eight upper floors which are currently used as offices, and 15,682 square feet arranged over ground and basement floors which are currently used as retail and restaurant space.

It is intended that following completion of the acquisition of the Property, the Joint Venture will further assess the Property’s potential for residential re-development.

#### **7. FINANCIAL EFFECTS**

The acquisition of the Property is not expected to have a material impact on the consolidated net earnings per share and consolidated net tangible assets per share of the HPL Group based on the HPL Group’s audited consolidated financial statements for the year ended 31 December 2011.

**8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the directors, controlling shareholder or substantial shareholders of the Company has any indirect or direct interest in the acquisition of the Property

**By Order of the Board**

Lo Swee Oi  
Company Secretary

Dated : 31 July 2012