



HOTEL PROPERTIES LIMITED
Co. Reg No : 198000348Z

**SALE OF ENTIRE INDIRECT ONE THIRD INTEREST IN
INVESTMENT PROPERTIES IN THE UNITED KINGDOM**

The Board of Directors of Hotel Properties Limited (“HPL” or “the Company”) wishes to announce the sale (the “Sale”) of its entire indirect one third interest (the Sale Stake”) in the following properties:

- a. 99-121 Kensington High Street, London W8 and 34 Kensington Square, London W8;
- b. 1 Derry Street, London W8;
- c. land and buildings on the east side of High Street Kensington Underground Station, London W8; and
- d. 25 Kensington Square, London W8.

(collectively, the “Properties”) through the sale by Gemstones Investments Pte. Ltd., Kensington Hotel Pte. Ltd. and Kensington Residential Pte Ltd., (collectively, “Vendor Companies”) of all the issued shares of 818 Pte. Ltd., 828 Pte. Ltd. and 838 Pte. Ltd. (collectively, the “Sale Companies”) which collectively hold the Properties. The Company, through its indirect wholly owned subsidiary, HPL Properties (West) Pte Ltd, holds a one third interest in 808 Holdings Pte Ltd (“808 Holdings”), the holding company, which owns the Vendor Companies. All of 808 Holdings, the Vendor Companies and the Sale Companies are incorporated in Singapore.

The Sale is to an unrelated third party. The aggregate cash consideration is approximately £46.9 million (approximately S\$90.7 million) (the “Consideration”). As part of the Sale, the purchaser also discharged the debt of approximately £175.3 million (approximately S\$338.9 million) owing by the Sales Companies to 808 Holdings by payment of the same amount to 808 Holdings. 808 Holdings group is expected to record a net gain of approximately £32.9 million (approximately S\$63.6 million) from the Sale.

The Consideration was paid in cash on completion. The Consideration was arrived at on a willing-buyer willing-seller basis, taking into account, amongst other factors, the aggregate net asset value of the Sale Companies of approximately £11.1 million (approximately S\$21.4 million) based on the management accounts of each of the Sale Companies as at June 2013.

Following completion of the Sale, each of the Sale Companies has ceased to be the indirect associated companies of the Company.

None of the Directors or the controlling shareholder of the Company has any interest, direct or indirect, in the Sale.

By Order of the Board

Lo Swee Oi
Company Secretary
5 July 2013