



HOTEL PROPERTIES LIMITED (Reg No: 198000348Z)

Incorporation of new subsidiary in Maldives

The Directors of Hotel Properties Limited ("HPL" or "the Company") wish to announce that it's 70% owned subsidiary HPL Resorts (Maldives) Private Limited ("HPLRM"), has subscribed for **100%** of the equity interests in the capital of Leisure Holidays Private Limited ("LHPL"), a company limited by shares under the laws of the Republic of Maldives. The principal activity of LHPL is to own an island resort in the South Male atoll of the Republic of Maldives.

The authorised capital of LHPL is US\$4,000,000 comprising 100,000 ordinary shares of US\$40 par value each. The issued and paid up capital of LHPL is US\$1,000,000 comprising 25,000 ordinary shares of US\$40 par value each.

The establishment of LHPL is funded through internal resources and is not expected to have any material effect on the consolidated net tangible assets per share and consolidated earnings per share of HPL Group based on the audited consolidated accounts of the HPL Group for the year ended 31 December 2004.

Other than Mr Ong Beng Seng, the Managing Director and a deemed controlling shareholder of the Company, who is deemed to be interested in the balance of 30% interest in HPLRM held through Como Holdings Inc, no Director or substantial shareholder of the Company has an interest, direct or indirect, in the above matter.

By Order of the Board
Chuang Sheue Ling
Company Secretary
Dated : 29 April 2005