



**HOTEL PROPERTIES LIMITED**  
**Co. Reg No : 198000348Z**

**NEW ASSOCIATED COMPANIES IN THAILAND**

The Board of Directors of Hotel Properties Limited (“HPL” or “the Company”) wishes to announce that its associated company, Leisure Ventures Pte Ltd (“Leisure Ventures”), has subscribed for two (2) ordinary shares comprising 100% in the equity of LV Resort (Thailand) Pte. Ltd. (“LV Thailand”), a company newly incorporated in Singapore.

The initial issued and paid-up share capital of LV Thailand is S\$2.00 and its principal activity is an investment holding company.

LV Thailand has entered into, amongst others, a share sale agreement and a shareholder agreement with Tup Phang Ka Co., Ltd. (“the Seller”) in relation to LV Thailand’s acquisition of 49% equity interest in The Yamu Limited (“YL”), a company incorporated in Thailand. The principal assets of YL constitute land in Pa khlok Sub-district, Thalang District, Phuket Province, Thailand, with a total approximate area of 11 rai 3 ngan 55 square wah or 19,020 square meters and a partially constructed hotel building located thereon (the “Hotel Land”) for development as a hotel project.

The total consideration for the acquisition of 49% equity interest in YL by LV Thailand is Baht 84.93 million, subject to further payment of a proportionate retention sum of Baht 13.07 million. In addition, LV Thailand has also provided:-

- (i) a new shareholder loan of Baht 95.37 million to YL for the company to part repay the existing shareholder’s advances extended to YL by the Seller and parties related to the Seller, and for general working capital of YL; and
- (ii) a further loan of approximately Baht 138.92 million (subject to further payment of a retention sum of Baht 13.07 million) to YL’s subsidiary, The Yamu Club Villas Co., Ltd. (“TYC”) to part finance TYC’s acquisition of another parcel of land with a total approximate land area of 21 rai, 23 square wah or 33,692 square meters, which is adjacent to the Hotel Land from The Yamu Estate Co., Ltd. and to fund part of the land transfer fees and expenses.

The abovementioned investment by LV Thailand will be funded by internal resources of Leisure Ventures.

The investment in YL and TYC by LV Thailand is not expected to have any material impact on the net earnings per share and net tangible assets per share of the HPL Group based on the audited consolidated accounts of the HPL Group for the year ended 31 December 2009.

Other than Mr Ong Beng Seng, the Managing Director and a deemed substantial shareholder of HPL, who is deemed to have a 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 subscription of shares in LV Thailand and its investment in YL and TYC.

By Order of the Board

Lo Swee Oi  
Company Secretary

Date : 31 December 2010