



HOTEL PROPERTIES LIMITED

Co. Reg No : 198000348Z

The Board of Directors of Hotel Properties Limited ("HPL" or "the Company") wishes to make the following announcements:-

(a) Incorporation of subsidiary in Singapore

The Company has subscribed for seven (7) ordinary shares comprising 70% in the equity of HPL Properties (Pacific Ocean) Pte. Ltd. ("HPLPPO"), a company newly incorporated in Singapore, thereby making it a subsidiary company of HPL. The balance 30% equity of HPLPPO is held by Como Holdings Pte. Ltd. ("Como")

The initial issued and paid-up share capital of HPLPPO is S\$10.00 comprising 10 ordinary shares and its principal activity is an investment holding company.

The incorporation of HPLPPO is not expected to have any significant impact on the net earnings per share and net tangible assets per share of the HPL Group based on the audited consolidated financial statements of the HPL Group for the year ended 31 December 2016.

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 30% interest in HPLPPO through Como, no Director, controlling shareholder or substantial shareholder of HPL has an interest, direct or indirect, in the subscription of shares in HPLPPO, other than through their shareholding interests in HPL.

(b) Incorporation of indirect subsidiary in Singapore and subscription of shares in companies in Thailand

The Company's wholly owned subsidiary company, HPL Properties (SEA) Pte Ltd has incorporated East Phuket Holdings Pte. Ltd. ("EPH"), a 100% subsidiary in Singapore.

The initial issued and paid-up share capital of East Phuket is S\$2 comprising 2 ordinary shares and its principal activity is that of an investment holding company.

EPH subscribed for 49% of the equity interest comprising 294,000 ordinary shares of Baht 10 each in the capital of Naka Yai Holdings Co Ltd ("NYH") ("NYH Share Subscription"), a company newly incorporated in Thailand. The consideration for the NYH Share Subscription is Baht 2.94 million.

The principal activity of NYH is an investment holding company and its issued and paid-up capital is Baht 6 million comprising 600,000 ordinary shares of Baht 10 each.

Both EPH and NYH further proceeded to make the following share subscriptions:-

- 1) EPH subscribed for 49% of the equity interest comprising 490,000 ordinary shares of Baht 10 each in the capital of Naka Yai Land Co Ltd. ("NYL"), a company newly incorporated in Thailand. The consideration for the subscription of shares in NYL is Baht 4.9 million for 49% of the equity in NYL.
- 2) NYH subscribed for the balance 51% of the equity interest in NYL comprising 510,000 ordinary shares of Baht 10, at a consideration of Baht 5.1 million.



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(the “NYL Share Subscription”)

Following the NYL Share Subscription, the Group’s effective shareholding in NYL is 73.99%.

The principal activity of NYL is a hotel development company and its issued and paid-up capital is Baht 10 million comprising 1,000,000 ordinary shares of Baht 10 each.

The incorporation of EPH, NYH Share Subscription and NYL Share Subscription are funded by internal resources of the Group and are not expected to have any significant impact on the net earnings per share and net tangible assets per share of the HPL Group based on the audited consolidated financial statements of the HPL Group for the year ended 31 December 2016.

No Director, controlling shareholder or substantial shareholder of the Company has an interest, direct or indirect, in the above transaction other than through their shareholding interests in HPL.

By Order of the Board

Lo Swee Oi
Company Secretary
Date: 1 June 2017