



## HOTEL PROPERTIES LIMITED

Co. Reg No : 198000348Z

(Incorporated in the Republic of Singapore)

### **ACQUISITION OF ADDITIONAL SHARES IN EXISTING ASSOCIATED COMPANY AND SUBSIDIARY**

The Board of Directors of Hotel Properties Limited (“HPL” or the “Company”) wishes to announce that the Company’s wholly-owned subsidiary, HPL Properties (SEA) Pte Ltd (“HPLPSEA”), has entered into a Share Purchase Agreement with ISY Holdings Sdn Bhd (the “Vendor”) for HPLPSEA to acquire from the Vendor:

- (1) 11,250,001 ordinary shares, representing 50% interest, in the capital of Palmco Hotels Sdn Bhd (“PHSB”); and
- (2) 100,000 ordinary shares, representing 10% interest, in the capital HRH Merchandise Sdn Bhd (“HRHM”);

for a total consideration of RM 105 million (collectively referred hereinafter as “Share Acquisitions”).

Prior to the Share Acquisitions, HPLPSEA owned 50% interest in the equity of PHSB and 90% interest in the equity of HRHM.

The total paid up capital of PHSB is RM 22,500,002 and the total paid up capital of HRHM is RM 1,000,000.

PHSB owns Hard Rock Hotel Penang with 250 rooms together with its trademark “Hard Rock Café” and facilities located at Batu Ferringhi, Penang in Malaysia.

The principal activity of HRHM is trading in souvenirs, momentos, gifts, clothing, apparels and accessories.

The purchase consideration for the Share Acquisitions was negotiated on arms’ length and willing- buyer-willing –seller basis, after taking into consideration the trading performance of the hotel and HRHM’s retailing business. The Share Acquisitions are funded by internal resources of the HPL Group.

The Share Acquisitions are expected to increase the earnings per share of the HPL Group from 18.13 cents to 20.18 cents but are not expected to have any significant impact on the 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 2016.

None of the Directors, controlling shareholder or substantial shareholder of the Company has any direct or indirect interest in the Share Acquisitions, other than through their shareholding interests in HPL.

By Order of the Board

Lo Swee Oi

Company Secretary

Date: 20 December 2017