



HOTEL PROPERTIES LIMITED (Reg No: 198000348Z)

Setting up an indirect wholly-owned subsidiary in Sri Lanka

The Directors of Hotel Properties Limited (the "Company" or "HPL") wish to announce that its wholly-owned subsidiary, HPL Properties (West Asia) Pte Ltd, has acquired 100% of the equity comprising 10 shares at LKR1,000,000 in the capital of Hotel Properties Lanka Investments (Private) Limited ("HPLI"), a newly incorporated company in Sri Lanka whose principal activities are that of investment holding and carrying on the business of operators, owners, managers and developer of hotels, residences and related businesses.

The initial issued and paid up capital of HPLI is LKR 1,000,000 comprising 10 ordinary shares.

The above transaction is not expected to have any significant effect on the consolidated net tangible assets per share and net earnings per share of HPL Group based on the audited consolidated financial statements of the HPL Group for the year ended 31 December 2017.

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 interest in HPL.

By Order of the Board

Lo Swee Oi
Company Secretary

Date: 6 June 2018