



**HOTEL PROPERTIES LIMITED (Reg No: 198000348Z)**

**BUSINESS UPDATE IN THE LIGHT OF THE COVID-19 PANDEMIC**

The Board of Directors of Hotel Properties Limited (the “Company” and together with its subsidiaries, the “Group”) refers to the global outbreak of the COVID-19 pandemic and wishes to update shareholders in respect of the Group’s operations in the light of the COVID-19 pandemic.

The impact of the COVID-19 pandemic is unprecedented and the Group faces challenging market conditions. The Group’s financial results will be adversely affected and the extent of the impact will depend on the trajectory of the pandemic and the pace of its recovery. We have taken significant measures to reduce all major administrable costs and put on hold all non-essential capital expenditures. In countries where there are government support schemes, we have undertaken every and all measures to maximise the value of the support.

In the near term, we expect our hotels to continue to face difficult market conditions. In support of our tenants over this difficult period, we are providing rental rebates and these costs are mitigated by property tax rebates from the Government. Our property developments in the UK may face delays as a result of supply chain and labour disruptions. The Group financial results are also expected to be affected by fair value provisions on revaluation of long term investments due to the weak market sentiments.

The Group has the liquidity and financial resources to weather through the COVID-19 pandemic. In April this year, we fully redeemed, from internal resources, \$100 million of bonds that were due; and subsequently in June we raised \$170 million of 5-Year bond at a coupon rate of 3.8%. The bonds redeemed were \$50 million 5-Year 3.88% and \$50 million 7-Year 3.9%. We adopt a prudent debt management policy and our investments are supported by medium and long term funding.

By Order of the Board

**Lo Swee Oi**  
Company Secretary  
4 June 2020  
Singapore