



HOTEL PROPERTIES LIMITED (Reg No: 198000348Z)

Acquisition of shares in an entity in Sri Lanka

The Directors of Hotel Properties Limited (the “Company” or HPL) wish to announce that West Asia Investments (Private) Limited, a newly incorporated associated company of HPL Properties (West Asia) Pte Ltd Pte Ltd, which is in turn a wholly owned subsidiary of HPL, has acquired 9,285,757 ordinary shares, being 94.71% of the issued shares of Tangalla Bay Hotels (Private) Limited (“TBHPL”), for a total consideration of LKR 385 million (the “Share Acquisition”). Following the Share Acquisition, TBHPL will become an associated company of the HPL Group.

The primary business of TBHPL is the operation and management of a hotel known as the Tangalla Bay Hotel, situated at pallikkudawa in Kadurupokuna Village in South Giruwa Pattu of the Hambantota District in the Southern Province, Sri Lanka. The issued and paid up capital of TBHPL is LKR177,861,380 comprising 9,803,971 ordinary shares. The balance 5.29% of the issued shares of TBHPL comprising 518,214 ordinary shares is held by some local shareholders which is unrelated to the HPL Group.

The Share Acquisition will be funded through the Group’s internal resources and/or bank financing, and 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 Share Acquisition, other than through their shareholding interest in HPL.

By Order of the Board

Lo Swee Oi
Company Secretary

Date: 28 August 2018