HEETON HOLDINGS LIMITED
(Unique Entity Number 197601387M)
Incorporated in the Republic of Singapore

ACQUISTION OF ALL THE ISSUED AND PAID-UP ORDINARY SHARES REPRESENTING THE SHARE CAPITAL OF L.C. (LONDON) LTD.

1. INTRODUCTION

The Board of Directors (the "**Board**") of Heeton Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that its 60%-owned subsidiary, Prospere Glory Pte. Ltd., (the "**Buyer**"), has acquired the entire share capital of L.C. (London) Ltd. (referred to as "**LC London**", and the transaction, the "**Acquisition**") on 11 April 2019 ("**Completion**").

2. INFORMATION ON LC LONDON

LC London, a company incorporated in England and Wales, is a hotel investment company whose primary asset is the Crowne Plaza London Kensington hotel (the "**Hotel**") in London, United Kingdom. It has an issued and paid up share capital of £5,000,000 (approximately S$8,850,000) comprising 5,000,000 ordinary shares.

LC London holds the freehold interest in the Hotel located at 94 to 106 (even) Cromwell Road, Kensington, London SW7 4ER. InterContinental Hotels Group Plc currently operates the Hotel under the hotel management agreement between LC London and IHG Hotels Limited.

3. AGGREGATE CONSIDERATION

On 14 December 2018, the Buyer entered into a share sale and purchase agreement (the "**Agreement**") with the seller, L.C. Hotels Pte Ltd, (the "**Seller**") for the Acquisition. Under the terms of the Agreement, the aggregate consideration for the Acquisition is approximately £84,311,000 (approximately S$148,886,000) (the "**Aggregate Consideration**") in the following manner:

i. the deposit of £8,300,000 (approximately S$14,346,000) was paid to the Seller on the date of the Agreement; and
ii. the balance amount of £76,011,000 (approximately S$134,540,000) was paid to the Seller on Completion.

The Aggregate Consideration was arrived at a willing-buyer and willing-seller basis by reference to the enterprise value and the net current assets of LC London of approximately £84,311,000 as at Completion.

The Company has funded its share of the Aggregate Consideration by internal funds and external borrowings.

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4. FURTHER INFORMATION

The Group is in the business of property investment, property development and hospitality. The Acquisition is made in the ordinary course of business and is part of the Group's existing core business.

The relative figure computed in relation to the Acquisition based on the Aggregate Consideration given, compared with the Company's market capitalisation as of this announcement date based on the total number of issued shares excluding treasury shares:

Consideration (S$ million)	Market Capitalisation (S$ million)	Relative figure (%)
148.9	154.4	96.4

The relative figure computed based on Rule 1006(c) of the Listing Manual exceeds 20.0%. However, the Acquisition is not regarded as a Major Transaction under Rule 1014 of the Listing Manual as it is made in the ordinary course of business of the Group and therefore do not require the approval of the Company's shareholders in relation to the Acquisition as required under Rule 1014(2) of the Listing Manual.

Upon completion of the Acquisition, the Group has an effective interest of 60.0% in LC London.

The Acquisition is not expected to have significant impact on the net tangible assets and earnings per share of the Company and the Group for the current financial year ending 31 December 2019.

None of the Directors or controlling shareholders of the Company has any interest, directly or indirect, in the aforesaid transaction, save for their shareholding (if any) in the Company.

By order of the Board

Teng Heng Chew Eric
Executive Director and Chief Executive Officer
14 April 2019