



**HOTEL  
GRAND CENTRAL LIMITED**

大中酒店有限公司

(Company Registration No. 196800243H)  
(Incorporated in the Republic of Singapore)

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### **Proposed Sale of Hotel Grand Chancellor ("HGCAA") Auckland Airport, New Zealand**

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The Directors of Hotel Grand Central Limited ("HGC") wish to make the following announcement for public release.

1. Hotel Grand Chancellor Auckland Airport, a wholly owned subsidiary of HGC has reached agreement with a third party to sell the abovementioned property for the sum of NZ\$ 23.30 million payable in cash. The Purchaser has declared the agreement unconditional after carrying out a due diligent investigation of the property and has paid the 10% deposit of NZ\$2.33 million.
2. The sale consideration was arrived at on a willing buyer willing seller basis and after taking into consideration factors such as the current and future hotel market condition in the Auckland Airport locality.
3. The balance sum of NZ\$20.97 million is payable on settlement date, being 3 March 2015. Commission of NZ\$ 233,000 is payable to Colliers International (Commercial Consultants Limited) MREINZ
4. The property was valued by CB Richard Ellis based on the income method on 31 December 2012 at NZ\$17.20 million. The book value of the property as at 30 September 2014 was NZ\$16.65 million. No updated valuation was carried out on the property since its last valuation. It is the Group's policy to revalue its hotels once every 3 years. It was the Directors' view that there were no material changes to market conditions that would affect the valuation of the property significantly between the date of the last valuation and date of the sale agreement.
5. The proposed sale transaction allows the Group to realise its investment in this property. Upon conclusion of this transaction and after deducting the sales commission, the Group would make a gain of NZ\$6.65 million over its book value as at 30 September 2014 (40%) which would be recorded in the Group's Income Statement on completion. In addition, the Group would be transferring the amount of NZ\$5.18 million from its Asset Revaluation Reserve to the Group's Retained Earnings.

6. The net sale proceeds shall be placed into interest bearing bank term deposits pending a decision by the Directors on future investment opportunities.
7. As the transaction will be completed on 3 March 2015, the transaction will not have any material effect on the Group's earnings per share and net tangible assets per share for the year ending 31 December 2014.
8. Based on the audited consolidated financial results of HGC for the twelve months ended 31 December 2013, the relative figures computed on the bases set out in Rule 1006 of the Listing Manual are as follows:-

Rule 1006 (a)	Net Asset of HGCAA (S\$'000)	Net Asset of HGC Group (S\$'000)	Relative Figures
	17,452	855,797	2.0%

Rule 1006 (b)	Net Profit of HGCAA (S\$'000)	Net Profit of HGC Group (S\$'000)	Relative Figures
	200	14,463	1.4%

Rule 1006 (c)	Total Consideration of transaction (S\$'000)	Market Capitalisation at 25 November 2014 (S\$'000)	Relative Figures
	23,733	805,199	3.0%

Rule 1006 (d)	Not Applicable		
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The transaction is deemed to be a non - discloseable transaction under the Listing Manual rules.

9. None of the directors or substantial shareholders has any interest, direct or indirect in the transaction.

By Order of the Board

Eliza Lim Bee Lian  
Company Secretary

26 November 2014