



HIAP HOE LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199400676Z)

ACQUISITION OF PROPERTY LOCATED AT 25-27 ROWE AVENUE, RIVERVALE, WESTERN AUSTRALIA (THE "ACQUISITION")

1. Introduction

The Board of Directors of Hiap Hoe Limited (the "**Company**", and with its subsidiaries, the "**Group**") refers to its announcement dated 2 November 2018 confirming the incorporation of its indirect wholly-owned subsidiary, Meteorite Land (Rowe Avenue) Pty Ltd ("**MLRA**") and the creation of a new wholly-owned unit trust, Meteorite Land (Rowe Avenue) Unit Trust (the "**Unit Trust**") in Australia.

The Board is pleased to announce that the Company has through MLRA, as trustee for the Unit Trust holding the Property (as defined below) in its ordinary course of business, entered into a Sale and Purchase Agreement (the "**Agreement**") on 1 November 2018 to acquire a property located at 25-27 Rowe Avenue, Rivervale, Western Australia (the "**Property**") from BAAC Pty Ltd (the "**Vendor**").

2. Purchase Consideration and Funding

The total purchase price for the Property is A\$100,000,000 (the "**Consideration**"). The Consideration was arrived at on a willing buyer willing seller basis after taking into account the independent valuation of the property and various commercial factors including, *inter alia*, the location of the Property, the trade projections for the Property and the recent transacted prices for other properties in the vicinity.

The Consideration shall be fulfilled in the following manner:

- (a) A\$11,000,000, that has been paid on 1 November 2018; and
- (b) the balance of the Consideration, amounting to A\$89,000,000, shall be paid at completion in accordance with the Agreement.

The Consideration will be fully funded through a combination of internal resources and debt.

3. The Property

The Property consists of the Aloft Perth hotel offering 224 guest rooms managed by Starwood Australia Hotels Pty Ltd, and a commercial office building offering over 10,569 square metres of net lettable area. It is located along the Great Eastern Highway corridor in proximity to multiple blue-chip companies and equidistant between Perth central business district and Perth Airport.

4. Rationale for the Acquisition

The Directors believe the Property presents a prime investment opportunity, with high occupancy levels and a diverse mix of blue-chip tenants. The Property also provides an opportunity for the Company to increase its recurrent income streams.

Pursuant to Rule 3.2 of Practice Note 10.1 of the Listing Manual, shareholders' approval of the Company is not required as the Acquisition is in the Company's ordinary course of business and is thus not subject to Chapter 10 of the Listing Manual of the Singapore Exchange Securities

Trading Limited. However, the Board has decided to disclose the Acquisition to enhance the corporate disclosure standards of the Company.

5. Material terms and conditions of the Acquisition

The completion of the Agreement is subject to certain conditions, including the Company's ability to obtain the relevant approvals and agreements from the regulatory authorities of Australia, including the Foreign Investment Review Board of Australia.

6. Directors' and Controlling Shareholders' Interests

To the best of the Company's knowledge, save for their respective shareholdings in the Company, none of the directors or the controlling shareholders of the Company has any interest, direct or indirect in the Acquisition.

BY ORDER OF THE BOARD

Ong Beng Hong
Joint Company Secretary
2 November 2018