



HOTEL PROPERTIES LIMITED (Reg No: 198000348Z)

Acquisition of an entity in Thailand

Further to the Company's announcements released on 23 November 2016 and 28 November 2016, the Board of Directors of Hotel Properties Limited ("HPL" or "the Company" and together with its subsidiaries, the "Group") wishes to announce that its newly incorporated subsidiary in Singapore, Kata Boathouse Holdings Pte Ltd ("KBH") and newly incorporated associated company in Thailand, Boathouse Holdings Co., Ltd ("BH"), have made the following acquisitions:-

- 1) KBH has acquired 49% of the equity interest comprising 2,952,250 ordinary shares of Baht 10 each in the capital of Boathouse Kata Co., Ltd ("Boathouse Kata"). The consideration for the acquisition is Baht 29.52 million for 49% of the equity in Boathouse Kata. In addition, KBH has acquired Baht 539.75 million of promissory notes issued by Boathouse Kata.
- 2) BH has acquired the balance 51% of the equity interest in Boathouse Kata comprising 3,072,750 ordinary shares of Baht 10, at a consideration of Baht 30.73 million.

(the "Acquisitions")

Following the Acquisitions, the Group's effective shareholding in Boathouse Kata is 73.99%, thereby making Boathouse Kata a subsidiary of the Group.

Boathouse Kata is in the hotel and restaurant business and its issued and paid-up capital is Baht 60.25 million comprising 6,025,000 ordinary shares of Baht 10 each.

Boathouse Kata in turn owns a 38 keys boutique resort at Kata Beach, Phuket, Thailand (the "Resort").

The total consideration for the Acquisitions was negotiated at arm's length on a willing buyer willing seller basis, taking into consideration the existing operations of the Resort. Based on a valuation of the Resort commissioned by the purchasers, the Resort has a market value of Baht 605 million as at 6th June 2016.

The Acquisitions are funded by internal resources of the Group and is not expected to have any material effect on the consolidated net tangible assets per share and consolidated earnings per share of HPL Group based on the audited consolidated accounts of the HPL Group for the year ended 31 December 2015.

No Director, controlling shareholder or substantial shareholder of the Company has an interest, direct or indirect, in the above Acquisitions other than through their shareholding interests in HPL.

By Order of the Board

Lo Swee Oi
Company Secretary
Date: 8 December 2016