



**HOTEL PROPERTIES LIMITED (Reg No: 198000348Z)**

**Increase in shareholding stake in associated company thereby becoming subsidiary**

The Directors of Hotel Properties Limited ("HPL" or "the Company") wish to announce that HPL has through its wholly-owned subsidiary, HPL Properties (SEA) Pte Ltd, increased its equity shareholding in the paid up capital of HRH Merchandise Sdn Bhd ("HRHM") from 50% to 90% by way of a subscription of 800,000 ordinary shares for RM 800,000 (the "Share Subscription").

Prior to the Share Subscription, HPL owned 50% of the equity of HRHM comprising 100,000 ordinary shares. After the Share Subscription, HPL now owns a total of 90% of the equity comprising 900,000 ordinary shares in the capital of HRHM. The principal activity of HRHM is trading in souvenirs, momentos, gifts, clothing, apparels and accessories.

The Share Subscription is funded by internal resources of the HPL group and is not expected to have any significant impact on the net earnings per share and net tangible assets per share of the HPL group based on the audited consolidated financial statements of the HPL group for the year ended 31 December 2016.

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

By Order of the Board

Lo Swee Oi  
Company Secretary  
Date: 16 October 2017