



Hiap Hoe Limited
(Registration No. : 199400676Z)

**(A) PROPOSED SALE OF 380 LONSDALE STREET, MELBOURNE, AUSTRALIA; AND
(B) UPDATE ON PROPOSED JOINT VENTURE**

A. PROPOSED SALE OF 380 LONSDALE STREET, MELBOURNE, AUSTRALIA

The Board of Directors of Hiap Hoe Limited (the "**Company**", and with its subsidiaries, the "**Group**") is pleased to announce that the Company's subsidiary, Meteorite Property (Lonsdale Street) Pty Ltd (the "**Vendor**"), as trustee for the unit trust holding the property located at 380 Lonsdale Street, Melbourne, Australia (the "**Property**"), has on 16 March 2016 entered into a binding heads of agreement ("**HOA**") with A. & J. Brady Pty Ltd (also known as the Brady Property Group) in relation to the proposed sale of the Property by the Company to A. & J. Brady Pty Ltd and/or its nominee ("**Purchaser**") (the "**Proposed Disposal**").

The purchase price for the Property is AUD 60,000,000 (excluding goods and services tax) (the "**Purchase Price**"), of which 10% is payable in cash as a deposit by the Purchaser to the Vendor upon the execution of the formal contract for sale in respect of the Property (the "**Deposit**"). The balance 90% of the Purchase Price will be paid by the Purchaser to the Vendor upon the settlement of the Proposed Disposal.

The HOA is subject to various conditions including, *inter alia*, the approval of the boards of directors of each of the Vendor and the Purchaser on or before 29 April 2016 and the completion by the Purchaser of a due diligence exercise. Should the Purchaser withdraw from the acquisition of the Property due to it not obtaining board approval, 1% of the Purchase Price will be forfeited to the Vendor.

The Purchaser will be granted an exclusive due diligence period commencing on 16 March 2016 and up to and including 11 April 2016.

The target date for completion of the due diligence by the Purchaser and negotiation and exchange of the formal contract of sale is 15 April 2016, with a view to settlement of the Proposed Disposal by 31 July 2016.

The Company will announce further material information when the formal contract of sale is entered into, or as may be necessary and/or appropriate in compliance with the Listing Rules of the Listing Manual.

B. UPDATE ON THE PROPOSED JOINT VENTURE

*Unless otherwise defined in this Section B, all capitalised terms used herein shall have the same meanings ascribed to them in the announcement of the Company released on 30 December 2015 (the “**Announcement**”).*

The Board of Directors of the Company refers to the Announcement relating to the Proposed JV.

The Board of Directors wishes to update Shareholders that the Company and Brady have jointly and mutually agreed that the Proposed JV will be aborted.

Shareholders and other investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

By Order of the Board

Tracy Wun
Executive Director

16 March 2016