
ACQUISITION OF INTEREST IN LIMITED LIABILITY PARTNERSHIP

The Board of Directors of Hwa Hong Corporation Limited (the “Company” or “HHC” and together with its subsidiaries, the “Group”) wishes to announce that its wholly-owned subsidiary, Singapore Warehouse Company (Private) Ltd (“SWCPL”), has entered into a members agreement dated 8 May 2014 with Montrose Land and Developments Limited (“MLD”) and Neo Bankside Retail LLP, a limited liability partnership incorporated and registered in England and Wales (the “Partnership”), to regulate the membership of SWCPL and MLD in the Partnership and to govern the operations of the Partnership. SWCPL’s total capital commitment to the Partnership (the “Investment”), representing 50 per cent. of the Partnership, is approximately GBP2.80 million (approximately SGD5.88 million¹) and is funded by internal resources and bank funding. The remaining 50 per cent. interest in the Partnership is held by MLD.

The Partnership has entered into agreements dated 13 May 2014 (the “Agreements”) with GC Bankside LLP and NeoD Investments LLP (collectively, the “Sellers”) to purchase 5 retail units located in Blocks A, B, C and D, NEO Bankside, Bankside 4, London SE1 0SW, United Kingdom (collectively, the “Properties”) with a total floor area of approximately 14,399 square feet, for an aggregate net consideration of approximately GBP10.25 million (approximately SGD21.53 million¹) (the “Consideration”) and upon the terms and conditions of the Agreements (the “Acquisition”). The Consideration was arrived at based on a willing-buyer, willing-seller basis, taking into account, *inter alia*, the location of the Properties and rents of similar properties in the area. The Acquisition is funded by the Partnership’s internal resources and bank funding. The Acquisition is expected to be completed on 22 May 2014.

The Properties, which are for retail and/or food and beverage use, are located in very close proximity to the Tate Modern London and forms part of the high-end residential scheme known as NEO Bankside. It is situated in the vibrant Southbank area of London close to notable landmarks such as St Paul’s Cathedral, the Globe Theatre, The Millennium Bridge and The Shard. It is close to major transport hubs such as London Bridge Station and Blackfriars Station and is within walking distance of the City of London office district.

Together with the acquisition of Block E NEO Bankside, Bankside 4, London SE1 9RE which was announced by the Company on 18 November 2013, MLD and HHC now jointly own a total of approximately 21,699 square feet of office and retail space at NEO Bankside.

The Investment and the Acquisition are not expected to have a material impact on the consolidated earnings per share and consolidated net tangible assets of the Company and the Group for the financial year ending 31 December 2014.

None of the Directors and (so far as the Directors are aware) none of the controlling shareholders of the Company has any interest, direct or indirect, in the Investment and the Acquisition.

BY ORDER OF THE BOARD

Lee Soo Wei
Chief Financial Officer

14 May 2014