



Hiap Hoe Limited
(Registration No. : 199400676Z)

EXECUTION OF HOTEL MANAGEMENT AGREEMENT WITH STARWOOD HOTELS & RESORTS WORLDWIDE, INC. FOR ITS DOCKLANDS HOTEL IN MELBOURNE

The Board of Directors of Hiap Hoe Limited (the “**Company**”, and with its subsidiaries, the “**Group**”) refers to its announcements of 1 August 2013, 16 August 2013, 21 August 2013, 27 August 2013 and 9 January 2014 relating to, *inter alia*, the proposed development of the property located at 6-22 Pearl River Road, Docklands, Victoria, Australia (“**Property**”) and the entry into a binding letter of intent (“**Letter of Intent**”) and a non-binding term sheet (“**Term Sheet**”) with Starwood Asia Pacific Hotels & Resorts Pte. Ltd..

The Board of Directors of the Company wish to inform shareholders that following the acquisition of the Property, the Company has received regulatory approval from the Minister of Planning, Melbourne, for a planning permit to include a hotel component (“**Hotel**”) in the mixed development to be developed on the Property (“**Development**”). Further to the Letter of Intent and Term Sheet, the Company has on 30 May 2014 also entered into a hotel management agreement (“**HMA**”) with Starwood Hotels & Resorts Worldwide Inc. (“**Starwood**”) to manage the Hotel. Under the HMA, Starwood will supervise, direct and control the operation of the Hotel under the Four Points® brand, and the Hotel will be named “Four Points by Sheraton Melbourne Docklands”.

The development of the Hotel will be funded by internal funds and/or bank borrowings. The entry into the HMA is not expected to have any material impact on the consolidated net tangible assets or earnings per share of the Company for the current financial year.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above transactions.

By Order of the Board

Submitted by Lai Foon Kuen, Company Secretary on 2 June 2014 to the SGX-ST.