



Hiap Hoe Limited
(Registration No. : 199400676Z)

UPDATE TO SALE OF SHARES AND UNITS BY METEORITE LAND PTY LTD

*Unless otherwise defined, all capitalised terms used herein shall have the same meaning ascribed to them in the Company's announcements dated 16 March 2016, 14 April 2016 and 29 July 2016 ("**Announcements**") in relation to, inter alia, the disposal by Meteorite Land Pty Ltd ("**MLPL**") of all its shares in Meteorite Property (Lonsdale Street) Pty Ltd ("**MPLS**") and its units in the unit trust Meteorite Property (Lonsdale Street) Unit Trust ("**MPLS Unit Trust**"), which holds the property located at 380 Lonsdale Street, Melbourne, Australia (the "**Property**").*

1. Introduction

The Board of Directors of Hiap Hoe Limited (the "**Company**", and with its subsidiaries, the "**Group**") refers to the Announcements and wishes to update Shareholders that:

- (i) MLPL has, on 15 August 2016, entered into the Share & Unit Sale Agreement with, *inter alia*, Brady Lonsdale to sell (a) all the shares in MPLS and (b) all the units in the MPLS Unit Trust (collectively, the "**Target Assets**") to Brady Lonsdale; and
- (ii) in connection with the execution of the Share & Unit Sale Agreement, MPLS has, on 15 August 2016, entered into a Deed of Cancellation ("**DOC**") with the Purchaser (among others) to terminate the existing Contract of Sale for the disposal of the Property by MPLS to the Purchaser and/or its nominee (the "**Deed of Cancellation**").

2. Purchase price

The total purchase price for the Target Assets is AUD 60,580,000 (excluding goods and services tax) (the "**Purchase Price**"). The Purchase Price was arrived at on a willing buyer willing seller basis and at arm's length, taking into consideration (i) the net book value of the Property of approximately AUD 43,000,000 in the audited financial statements of the Group for the financial year ended 31 December 2015; and (ii) the indicative open market value of the Property (assuming full payment of lease termination fee) of AUD 60,000,000 as at 31 December 2015, based on a certificate of valuation prepared by an independent professional valuer appointed by the Company, m3property (Vic) Pty Ltd. The indicative open market value was derived based on the method of direct comparison of development site sales

evidence, taking into consideration the analysis of existing leases, licences and permits, the outstanding lease termination fee, and the planning permit and the approved extension of time thereof, of the Property.

The Purchase Price will be satisfied in the following manner:

- (a) AUD 6,000,000 has been paid on the date of execution of the Share & Unit Sale Agreement; and
- (b) the balance of the Purchase Price shall be paid on the completion of the sale of the Target Assets, which is scheduled to take place on 15 August 2016.

3. Directors' and controlling shareholders' interest

To the best of the Company's knowledge, save for their respective shareholdings in the Company, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Disposal.

4. Documents available for inspection

The (i) Share & Unit Sale Agreement and (ii) Deed of Cancellation are available for inspection during normal business hours at the registered office of the Company at 18 Ah Hood Road, #13-51 Hiap Hoe Building At Zhongshan Park, Singapore 329983 for a period of three (3) months from the date of this announcement.

By Order of the Board

Tracy Wun
Executive Director

15 August 2016