



ACQUISITION OF CAPITAL LIVERPOOL LIMITED

ANNOUNCEMENT

The Board of Directors of Hwa Hong Corporation Limited (“Hwa Hong”) wishes to announce that Vantagepro Investment Limited (“Vantagepro”), a wholly owned subsidiary of Hwa Hong, has acquired 60 shares of nominal value £1/- each in the share capital of Capital Liverpool Limited (“Capital Liverpool”) on 22 May 2007, representing 60% of Capital Liverpool’s total issued and paid-up share capital of £100/- (the “Acquisition”). The remaining 40% is held by Campden Investments Limited.

Capital Liverpool is a company incorporated in England and Wales on 31 May 2005. The principal activity of Capital Liverpool is to hold the freehold office building situated at and known as 7 Water Street and 3 Fenwick Street, Liverpool, L2 8TD United Kingdom (the “Property”). The purchase of the Property was completed on 22 May 2007.

The Property is a commercial office building which is currently yielding a return of 6.2%. The Property was assessed by CBRE Richard Ellis Limited at a valuation of £5,910,000/- and was purchased at £5,435,000/-. The purchase of the Property was funded by bank borrowings of up to £4,348,000/- and by proportionate shareholders’ loan amounting to a total of £1,430,000/-, of which Vantagepro’s share is £858,000/-.

The purchase of the Property is not expected to have any material impact on the net tangible assets or earnings per share of Hwa Hong and of the Group for the current financial year.

As far as the Directors are aware, none of the Directors of Hwa Hong has any interest, direct or indirect in the Acquisition.

BY ORDER OF THE BOARD

Ong Bee Leem
Company Secretary

23 May 2007