



**HO BEE GROUP**

**HO BEE INVESTMENT LTD**  
**(Company Registration No. 198702381M)**

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**RESPONSE TO BUSINESS TIMES ARTICLE ON 27 OCTOBER 2012:  
“HOTEL WINDSOR MAY CHANGE HANDS SOON”**

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Ho Bee Investment Ltd (the “**Company**”) refers to the abovementioned article on page 12 of the Business Times of 27 October 2012, and wishes to confirm as follows:

1. Ho Bee Developments Pte Ltd, a wholly owned subsidiary of the Company, has granted an option to purchase to LVND Homes Pte Ltd and/or nominee (the “**Purchaser**”) in respect of the sale of its hotel property located at 401 MacPherson Road, Singapore 368125 and known as Hotel Windsor (the “**Property**”).
2. The freehold Property has a land area of 54,418 square feet and comprises a 225-room hotel with commercial space of approximately 45,000 square feet.
3. The Property is sold subject to existing leases for a consideration of S\$163 million (the “**Consideration**”). The Consideration was derived at on a willing seller willing buyer basis, taking into account current market conditions and the open market value of S\$135.7 million as at 17 September 2012, which was appraised by Colliers International Consultancy & Valuation (Singapore) Pte Ltd. No revaluation was conducted for the purpose of this sale saved for the last valuation mentioned herein.
4. The Purchaser has exercised the option to purchase today and a deposit of 2% of the Consideration has been paid. A second tranche of 3% of the Consideration will be payable four weeks from today. A third tranche of 5% of the Consideration will be payable twelve weeks before completion. The remaining 90% of the Consideration will be payable on completion, which is scheduled on or before 13 May 2013.

The sale is expected to yield a net gain of approximately S\$25.9 million upon completion. Other than the foregoing, the sale is not expected to have a material impact on the net tangible assets per share or earnings per share of the Company for the financial year ending 31 December 2012.

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For illustrative purpose, based on the audited consolidated financial statements of the Company for the financial year ended 31 December 2011, assuming that the sale transaction had been effected on 1 January 2011, the earnings per share would have increased from 28 cents to 35 cents. Assuming that the sale transaction had been effected on 31 December 2011, the net tangible assets per share would have increased by S\$0.07 to S\$2.41.

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

On behalf of the Board  
Desmond Woon  
Executive Director  
29 October 2012