



## ACQUISITION OF INDUSTRIAL PROPERTIES

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Ho Bee Investment Ltd (“HBI”) is pleased to announce that the Group has entered into contracts to acquire two light industrial buildings located at No. 1 Tannery Road (“Property 1”) and No. 31 Tannery Lane (“Property 2”).

### Property 1

The subject property currently known as “Cencon 1” with a freehold tenure, has a land area of 37,267 sq ft. The 9-storey building with a gross floor area of 91,192 sq ft and a net lettable area of 65,180 sq ft is currently 93% occupied by multiple tenants. Under the 2003 Master Plan, the site is zoned Business 1 with a plot ratio of 2.5. The total acquisition cost for the site is S\$21 million which is about S\$230 psf on the gross floor area of the existing building.

“Cencon 1” is prominently located along MacPherson Road and Tannery Road at the fringe of the Macpherson Industrial Estate. The area is easily accessible via PIE and CTE and is supported by good public transport facilities, including the MRT station at Potong Pasir. The nearby residential estates (both private and HDB) provide a ready source of manpower supply.

### Property 2

The subject property currently known as “Dragon Land Building” with a freehold tenure, has a land area of 14,844 sq ft. The 7-storey building with a basement carpark has a gross floor area of approximately 39,840 sq ft and a net lettable area of 34,616 sq ft. It is currently 92% occupied by multiple tenants. Under the 2003 Master Plan, the site is zoned Business 1 with a plot ratio of 2.5. The total acquisition cost for the site is S\$11.2 million which is S\$281 psf on the gross floor area of the existing building.

“Dragon Land Building” is situated at the junction of Tannery Lane and Tannery Road, which is easily accessible from both Aljunied Road and Macpherson Road. The Group’s industrial building, HB Centre, is sitting right beside the building.

The Group intends to retain the two newly acquired buildings for investment purposes. The acquisition cost of these projects will be financed by the Group's internal funds and bank borrowings and is not expected to have any material impact on the Group's consolidated earnings and net tangible assets per share of HBI in the current financial year ending 31 December 2006.

None of the directors or controlling shareholders of HBI has any direct or indirect interests in the above transactions.

On behalf of the Board

Low Lai Sai  
Company Secretary  
7 December 2006