



HO BEE FOUNDATION

Further to the announcement made by the Company on 11 October 2010 (the "Announcement"), in relation to the establishment of Ho Bee Foundation (the "Foundation"), the philanthropic arm of the Ho Bee Group, the board of directors wishes to provide the shareholders of the Company with further details on the structure and governance of the Foundation.

Structure and governance of the Foundation

The Foundation was incorporated as a public company limited by guarantee in Singapore on 10 October 2010.

The founding members of the Foundation are Mr Chua Thian Poh, Mr Ch'ng Jit Koon and Mr Tan Keng Boon. Mr Chua is the Chairman and Chief Executive Officer of the Company, and Mr Tan and Mr Ch'ng are independent directors of the Company.

Mr Chua, Mr Ch'ng and Mr Tan also currently sit on and constitute the board of directors of the Foundation (the "Foundation Board"). The majority of the Foundation Board shall be independent directors of the Company.

The Foundation was officially registered as a charity on 10 November 2010.

As stated in the Announcement, the Company intends to make donations to the Foundation from time to time, and the Foundation shall channel such donations towards supporting a host of worthy charitable causes in Singapore, such as education, the arts, culture, sports and social welfare.

The amount of donations to be made from time to time by the Company to the Foundation will be determined by the board of directors of the Company. The Foundation shall also report the disbursements and activities of the Foundation to the board of directors of the Company on a quarterly basis.

The Foundation shall also prepare its annual report in accordance with the Charities (Annual Report) Regulations under the Charities Act (Chapter 37 of Singapore) and the applicable principles in the Code of Governance for Charities & Institutions of a Public Character promulgated by The Charity Council of Singapore. The annual report, which shall be available to the public, will include information on the amount of donations that the Foundation has received and disbursed, and will also specify the benefits accruing to the office holders of the Foundation.

By Order of the Board

Low Lai Sai
Company Secretary
11 January 2011