



ACQUISITION OF INDUSTRIAL SITE

Ho Bee Investment Ltd (“HBI”) is pleased to announce that the Group has succeeded in acquiring a block of part 3-storey/part 6-storey light industrial building located at 34 Genting Lane through an auction held at Amara Hotel today.

The subject property, with a freehold tenure, has a land area of about 37,039 sq ft and a gross floor area of approximately 67,060 sq ft. Under the 2003 Master Plan, the site is zone Business 1 with a plot ratio of 2.5. The total acquisition cost for the site is S\$9.7 million or about S\$105 psf per plot ratio.

The development is situated along Genting Lane, near its junction with Macpherson Road, within the established 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.

The Group intends to redevelop the existing property into a block of high-tech industrial building. The acquisition and development cost of this project 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 31st December 2006.

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

On behalf of the Board

Desmond Woon
Executive Director
11 October 2006