



**HO BEE GROUP HO BEE INVESTMENT LTD** (Co. Regn. No. 198702381M)

## **NOTICE OF SALE OF INVESTMENT PROPERTIES**

---

Ho Bee Investment Ltd ("HBI") wishes to announce that its wholly-owned subsidiary, Ho Bee Developments Pte Ltd, has entered into contracts for the sale of the following investment properties to two unrelated purchasers:

- 1) TG Building, a 4-storey warehouse located at 222 Tagore Lane. Total consideration for the sale is S\$33,000,000 or approximately S\$254 psf of gross floor area. A 5% deposit for the sale price has been paid and the balance will be payable upon completion on 13 October 2010,
  
- 2) 4 floors of office space (levels 8,9,10 & 11) with a total floor area of 52,431 sq ft at Samsung Hub, located at Church Street. Total consideration for the sale is S\$111,415,875 or S\$2,125 psf. A 5% deposit for the sale price has been paid and the balance will be payable upon completion on 8 Nov 2010.

The above sale prices were derived at on a willing seller willing buyer basis, taking into account current market conditions and the open market value of S\$24 million and S\$89.1 million respectively as at 31 December 2009 which was appraised by Colliers International Consultancy & Valuation (Singapore) Pte Ltd.

No revaluation was conducted for the purpose of these sale saved for the last valuation mentioned in the preceding paragraph.

Basing on the valuation as of 31 December 2009, the net book value of the two properties as at 30 June 2010 was S\$113.1 million. The sales will yield a gain of approximately S\$31 million. This will be reflected in the Group's financial result for the fourth quarter of 2010 and it will have a positive impact on the Group's consolidated earnings and net tangible assets per share of HBI in the current financial year ending 31 December 2010.

Assuming that the sale transactions had been effected at the end of the half year ended 30 June 2010, the net tangible assets per share of Ho Bee Investment Ltd would have increased by S\$0.04 to S\$1.85. Had the transactions been effected at the beginning of financial year 2010, the earnings per share for the 1st half of 2010 would have increased from 20.9 cents to 25.1 cents.

The sale proceeds are intended to be used for the reduction of the Group's borrowings and provide additional working capital for the Group's businesses.

No director or substantial shareholder of HBI has any direct or indirect interests in the above transaction.

On behalf of the Board  
Desmond Woon  
Executive Director  
19 August 2010