



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

NOTICE OF SALE OF INVESTMENT PROPERTY

Ho Bee Investment Ltd (“HBI”) wishes to announce that its wholly-owned subsidiary, Ho Bee Developments Pte Ltd, has entered into a contract for the sale of Platinum 28, a 9-storey high-tech industrial building located at 28 Genting Lane (the “Property”) to Platinum28 Pte. Ltd. (the “Purchaser”).

The Property with a net lettable area of 82,041 sq ft is sold with existing tenancies. The sale price of S\$48.5 million worked out to approximately S\$591 per sq ft. This was derived at on a willing seller willing buyer basis, taking into account current market conditions and the open market value of S\$33 million as at 31 December 2009 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 in the preceding paragraph.

The Purchaser has already paid a deposit of 5% of the sale price and the balance will be payable upon completion on 25 February 2011. The sale proceed is intended to be used for the reduction of the Group’s borrowings and provide additional working capital for the Group’s businesses.

The sale is expected to yield a gain of approximately S\$15 million. This will be reflected in the Group’s financial result for the first quarter of 2011 and it will not have any 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 transaction had been effected at the end of the third quarter ended 30 September 2010, the net tangible assets per share of HBI would have increased by S\$0.02 to S\$1.88. Had the transaction been effected at the beginning of financial year 2010, the earnings per share for the 1st half of 2010 would have increased from 26.2 cents to 28.2 cents.

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
22 December 2010