



ACQUISITION OF INDUSTRIAL SITES

Ho Bee Investment Ltd (“HBI”) is pleased to announce that the Group has entered into contracts to acquire two blocks of double-storey light industrial building located at Nos. 29 and 31 New Industrial Road.,

The subject properties, with a freehold tenure, have land areas of 20,150 sq ft and 21,669 sq ft respectively. The sites are designated for industrial use under “Business 1” zoning, with a permissible gross plot ratio of 2.5. The total acquisition cost for the two adjoining sites is S\$11.08 million or about S\$106 psf per plot ratio.

The developments are situated along New Industrial Road, off Upper Paya Lebar Road, in the vicinity of MacPherson and Paya Lebar industrial estates. The area is easily accessible via PIE and CTE and within a 10 minute walk from the proposed Upper Paya Lebar MRT station.

The Group intends to amalgamate the two sites and redevelop the existing properties 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
25 October 2006