



Establishment of a Subsidiary Company and a Joint Venture Company

The Board of Directors of Ho Bee Investment Ltd (the "Company") wishes to announce the following:-

- (1) The Company has recently incorporated a subsidiary company, HB Investments (China) Pte. Ltd. ("HBIC") in Singapore. The principal activity of the subsidiary company is investment holding. The Company will hold 80% shareholding interest in HBIC while Engro Corporation Limited will hold the balance 20%. The initial issued share capital of HBIC will be S\$100,000.
- (2) The Company has, via its newly formed subsidiary company, HBIC, set up a joint venture company in Singapore ("JV Company") with Yanlord Land Pte. Ltd. Details of the JV Company are set out below:-

| | | |
|--------------------|---|--|
| Name of JV Company | : | Yanlord Ho Bee Investments Pte. Ltd. |
| Principal activity | : | Investment holding |
| Shareholders | : | Yanlord Land Pte. Ltd. (50% shareholding interest) HBIC (50% shareholding interest) |

The JV Company will be undertaking a feasibility study on a property development project in the Peoples' Republic of China. The initial issued share capital of the JV Company is US\$100,000.

The above transactions will be funded by internal resources and are not expected to have any material impact on the net tangible assets or earnings per share of the Company for the financial year ending 31 December 2009.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect, in the above transactions other than through their shareholdings in the Company (if any).

On behalf of the Board

Desmond Woon
Executive Director
25 September 2009