



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

**NOTICE OF SALE OF INDUSTRIAL PROPERTY PURSUANT TO RULE 703 OF
THE SGX-ST LISTING MANUAL**

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 its industrial building, Frontech Centre located at No. 15 Jalan Kilang Barat, Singapore (the “Property”) to AG Frontech Private Limited (the “Purchaser”), for a consideration of S\$30 million.

The sale price was derived at on a willing seller willing buyer basis, taking into account current market conditions and will be paid in cash by the Purchaser upon completion, which will take place on 14 November 2008 or earlier as the Purchaser may elect. 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.

The land where the Property now stands was bought by the Group in 2000 and was subsequently developed into a block of 8-storey hi-tech industrial building with a gross floor area of approximately 71,992 square feet and a lettable area of about 69,382 square feet. The building is currently fully tenanted.

The net book value of the Property as at 30 June 2008 was S\$13,927,693 and the sale will yield a pre-tax profit of approximately S\$15.7 million. This will be reflected in the Group’s financial result for the fourth quarter of 2008 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 2008.

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
26 September 2008