



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

**NOTICE OF SALE OF COMMERCIAL 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 granted an Option to Purchase to CLSA Merchant Bankers Ltd and/or nominee (the “Purchaser”) for the sale of its commercial building, HB Robinson along Robinson Road (the “Property”), for a consideration of S\$80 million.

The sale price was arrived at on a willing seller willing buyer basis, taking into account current market conditions and will be paid in cash by the Purchaser on completion. An option fee of 1% has been collected and subject to satisfactory due diligence to be carried out by the Purchaser, the sale is expected to be completed in June 2006. The sale proceeds is intended to be used for the reduction of the Group’s borrowings and to provide additional working capital for the Group’s businesses.

The Property was bought by the Group in 2002 and had undergone a major addition and alteration in 2003. The refurbished building was completed in November 2003 with a gross floor area of 115,385 square feet and a lettable area of about 92,000 square feet. The building is currently fully tenanted.

The net book value of the Property as at 31 Dec 2005 was S\$ 60,652,552. The sale of the Property, if materialized, 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 31st December 2006.

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
31 March 2006