

Ho Bee Land Limited

(Co. Reg. No.: 198702381M)

ANNOUNCEMENT

NOTICE OF SALE OF INVESTMENT PROPERTY

Ho Bee Land Limited (the “**Company**”) wishes to announce that its wholly-owned subsidiary, Ho Bee Realty Pte Ltd, has entered into a contract for the sale of Forte, a block of 8-storey high-tech industrial building located at No. 29 New Industrial Road, Singapore 536213 (the “**Property**”) to Laura Ashley (Asia) Pte. Ltd. (the “**Purchaser**”).

The Property with a net lettable area of 98,254 square feet is sold to the Purchaser who is a sole tenant under a tenancy agreement dated 12 December 2014. The sale price of S\$66 million (the “**Consideration**”) worked out to approximately S\$672 per square feet. The Consideration was derived at on a willing seller willing buyer basis, taking into account current market conditions and the open market value of S\$58.9 million as at 31 December 2014 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 herein.

The Purchaser has paid a deposit of 10% of the sale price and the balance will be payable upon completion on or before 28 July 2015. 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 net gain of approximately S\$6.9 million. This will be reflected in the Group’s financial result for the third quarter of 2015 and it will have a positive impact on the Group’s consolidated earnings and net tangible assets per share of the Company in the current financial year ending 31 December 2015.

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

By Order of the Board
Desmond Woon
Executive Director
29 June 2015