

Ho Bee Land Limited

(Co. Reg. No.: 198702381M)

ANNOUNCEMENT

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- (A) **INCORPORATION OF STREAM FIELD INVESTMENTS LIMITED**
(B) **ACQUISITION OF ENTIRE ISSUED SHARE CAPITAL OF EMMATOWN PROPERTIES LTD**
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1. INTRODUCTION

Ho Bee Land Limited (“**HBL**”) wishes to announce that its wholly owned subsidiary, Stream Field Investments Limited (“**SFIL**”) has entered into a sale and purchase agreement (“**SPA**”) with Green Property Holdings Ltd (the “**Seller**”), an unrelated party. Under the SPA, the Seller agreed to sell, and SFIL agreed to purchase all of the ordinary shares representing the entire issued share capital of Emmatown Properties Ltd (“**EPL**”) (the “**Acquisition**”), which was completed today.

SFIL is newly incorporated in the British Virgin Islands and its principal activity is property investment.

2. INFORMATION ON EPL

EPL is a company incorporated in British Virgin Islands. Its issued share capital comprised 19,777 ordinary shares of £1 each. On completion of the Acquisition, EPL becomes an indirect wholly owned subsidiary of HBL.

EPL is the registered owner of a freehold property known as 67 Lombard Street, London EC3V 9LJ (the “**Property**”). The Property will be held for long term investment to earn rental income. More information on the Property can be found in a press release announced concurrently.

3. CONSIDERATION

The consideration for the Acquisition is £129.3 million (approximately S\$228 million) (the “**Consideration**”) which was arrived at on a willing-seller and willing-buyer basis. The Consideration was satisfied wholly in cash.

4. RATIONALE FOR THE ACQUISITION

The Acquisition is in line with the Group’s strategy to grow its recurrent income base and its overseas expansion plan.

The Property is currently multi-let to six tenants. It has a weighted average unexpired lease term of 10.2 years and generates a total annual rental of about £5.294 million (approximately S\$9.3 million) currently.

The Acquisition is in HBL’s ordinary course of business.

5. FINANCIAL EFFECTS

The Acquisition is financed by internal funds and bank borrowings and is not expected to have any material impact on the consolidated earnings per share and net tangible assets per share of the HBL Group for the financial year ending 31 December 2017.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

The Chairman/Chief Executive Officer and controlling shareholder of HBL, Mr Chua Thian Poh, together with the executive directors, Mr Ong Chong Hua and Mr Desmond Woon Choon Leng have been appointed as directors of SFIL and EPL. Save as disclosed herein, none of the directors or controlling shareholders of HBL has any interest, direct or indirect, in the above transactions, other than through their shareholdings in HBL (if any).

By Order of the Board

Tan Sock Kiang
Company Secretary
20 June 2017