



ACQUISITION OF RESIDENTIAL SITE – FERNHILL GROVE

Ho Bee Investment Ltd (“HBI”) is pleased to announce that the Group has succeeded in tendering for the collective sale of Fernhill Grove, a 36-unit residential development located at Nos. 25, 27 & 29 Fernhill Road at a price of S\$66.3 million. This sale is subject to the approval from the Strata Title Board.

The development is situated within the prestigious District 10 in an upmarket residential locality bounded by Fernhill Road to the North and Orange Grove Road to the East. Developments in the immediate vicinity are mainly low-rise landed housing and 4-storey residential developments. Landmarks in the area include the Shangri-la Hotel and The Pines. Other notable developments in the vicinity include The Ladyhill and Orion.

The subject property with a land area of 86,347 sq ft has a freehold tenure. The site is zoned “Residential” with a plot ratio of 1.4. With the development charge estimated at about S\$8.7 million, the total acquisition cost for the site works out to be about S\$75 million or about S\$620 per plot ratio. The Group intends to develop a luxurious condominium comprising of about 100 units with full recreational facilities.

The land and development cost of this project will be financed by the Group’s internal funds and bank borrowings and is not expected to have any material impact on the Group’s consolidated earnings and net tangible assets per share of HBI in the current financial year ending 31st December 2005.

None of the directors or controlling shareholders of HBI has any direct or indirect interests in the above transaction.

On behalf of the Board

Desmond Woon
Executive Director
10 August 2005