

**Ho Bee Land Limited**

(Co. Reg. No.: 198702381M)

## **ANNOUNCEMENT**

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### **RESPONSE TO SINGAPORE EXCHANGE REGULATION'S QUERY ON RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR 2023**

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The Board of Directors of Ho Bee Land Limited (the “**Company**”) and together with its subsidiaries (the “**Group**”) wishes to announce the following in response to the query raised by Singapore Exchange Regulation (“**SGX RegCo**”) on the Group’s Condensed Interim Financial Statements for the second half and financial year ended 31 December 2023.

#### **SGX RegCo’s query**

The condensed interim consolidated income statement of the Company for FY2023 reflected a net loss of \$10.2 million in the share of results of its associates compared with a profit of \$32.7 million in FY2022. The Company elaborated that the loss included provisions made with respect to foreseeable losses on the Tianjin project. Please provide more details on the Tianjin project, including:

- (a) which associate entity of the Group the Tianjin project is under, what the project constitutes of and the reason(s) for the foreseeable losses on the project;
- (b) an update on developments and occupancy rates of the Tianjin project; and
- (c) a review on the performance of the associate entity and whether these are in-line with the Company’s expectations.

Company’s response to the query:

- (a) The entity that holds the project (“Tianjin project”) is Tianjin Renmei Real Estate Co. Ltd (“Tianjin Renmei”, 49% owned by Ho Bee Land Limited), and it is developing 12 blocks of 752 residential units with a total gross floor area of approximately 117,100 sqm.
- (b) The project is still under development and will be completed in mid-2024. In view of the market conditions in the China residential market, Tianjin Renmei took the decision to reduce the selling price for the Tianjin project to below cost.
- (c) The residential units have been fully sold in 1Q 2024 post the financial year ending 31st December 2023. This has resulted in the provisions made with respect to foreseeable losses on the Tianjin project and its impact on the performance of Tianjin Renmei.

By Order of the Board

Nicholas Chua  
Executive Director  
Chief Executive Officer

15 March 2024