

HO HUP CONSTRUCTION COMPANY BERHAD (“HO HUP” OR “THE COMPANY”)

- **PROPOSED DISPOSAL OF PROPERTY BY BUKIT JALIL DEVELOPMENT SDN. BHD., A 70%-OWNED SUBSIDIARY OF THE COMPANY TO ACTION MASTER SDN. BHD.**

We refer to our earlier announcements dated 16 December 2009 and 22 December 2009. On behalf of Ho Hup, AFFIN Investment Bank Berhad wishes to announce the following updates in respect of the Proposed Disposal.

For consistency purposes, the abbreviations and definitions used throughout this announcement are the same as those previously defined in the announcement dated 16 December 2009.

1. REVISED MARKET VALUATION OF THE SUBJECT PROPERTY

As per our earlier announcement dated 16 December 2009, Henry Butcher Malaysia Sdn Bhd (“**Henry Butcher**”), an independent registered valuer, had *vide* its letter dated 16 December 2009 provided an indicative market value of RM5,047,000 for the subject property using the comparison approach.

Subsequently, Henry Butcher had adjusted the market value of the subject property to RM6,780,000 during the preparation of its full valuation report. On 4 March 2010, Henry Butcher had further revised the market valuation of the subject property to RM6,920,000 on the basis to better reflect the fair and reasonable current market value for this property in its existing state and with the benefit of vacant possession.

As a result thereof, the disposal consideration of RM7,641,731 for the subject property represents a premium of approximately 10.43% or RM721,731 to the market value of RM6,920,000.

2. EARNINGS

The Proposed Disposal is not expected to have a material effect on the consolidated earnings of Ho Hup for the financial year ended 31 December 2009 as it is expected to be completed within 2 months from the date of fulfillment of all the conditions precedent in the SPA. Assuming the Proposed Disposal is completed during the financial year ending 31 December 2010, Ho Hup is expected to realise a gain of RM520,181 which is currently expected to be recorded in the financial year ending 31 December 2010.

3. ESTIMATED TIMEFRAME FOR COMPLETION

Barring unforeseen circumstances, the Proposed Disposal is expected to be completed within 2 months from the date of fulfillment of all the conditions precedent in the SPA but nevertheless, is expected to be completed within the financial year ended 31 December 2010.

4. APPLICATION FOR EXTENSION OF TIME PURSUANT TO PARAGRAPH 9.33(1)(A) OF THE MAIN MARKET LISTING REQUIREMENTS

Pursuant to paragraph 9.33(1) (a) of the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”), the listed issuer must submit the draft circular or document to Bursa Securities or issue the circular or document as the case may be, in accordance with the Listing Requirements as

soon as possible and in any event not later than 2 months from the date of announcement or the date the last approval necessary for the corporate proposal is obtained from the relevant authority, whichever is the later.

On behalf of Ho Hup, AFFIN Investment Bank Berhad wish to announce that on 4 March 2010, Bursa Securities had resolved to reject the Company's application dated 11 February 2010 for an extension of time until 8 March 2010 to submit the draft circular in relation to the Proposed Disposal.

In this regard, we wish to inform that the Company intends to submit the draft circular in relation to the Proposed Disposal to Bursa Securities for their clearance prior to the issuance of the circular to the shareholders in due course.

This announcement is dated 5 March 2010.