

**CHUAN HUP HOLDINGS LIMITED**  
 (Co. Reg. No. 197000572R)  
 (Incorporated in the Republic of Singapore)

**ACQUISITION OF LAND**

**1. INTRODUCTION**

- 1.1 **Acquisition of Land.** The Board of Directors of Chuan Hup Holdings Limited (the “Company”) wishes to announce that its wholly-owned subsidiary, Ventrade Maylands Pty Ltd (“Ventrade Maylands”), has on 23 August 2013 entered into a Contract for Sale of Land with Mr Christopher Damian Dodd to purchase a 17,256 square metre site located on the corners of Tenth Avenue, Kennedy Street and Railway Parade in Maylands, Western Australia (the “Land”) for a purchase price of A\$16,710,000, excluding government taxes (the “Purchase Consideration”) (the “Acquisition”). The Land is prime development land located 4.5 kilometres from the Perth CBD, adjacent to public transport and in very close proximity to urban amenity.
- 1.2 **Purchase Consideration.** The Purchase Consideration for the Acquisition was arrived at on a willing buyer willing seller basis. A\$200,000 of the Purchase Consideration was paid by cheque and the balance of the Purchase Consideration will be paid on 15 November 2013. The Purchase Consideration will be paid in cash.
- 1.3 **Asset Value.** Ventrade Maylands had engaged Savills Valuations Pty Ltd to undertake an independent valuation of the Land. As at 23 August 2013, the market valuation of the land was A\$16,710,000.
- 1.4 **Net Profit attributable to Acquisition.** There is no profit attributable to the Acquisition.

**2. DISCLOSEABLE TRANSACTION**

**Relative Figures under Rule 1006.** The relative figures for the Acquisition computed on the bases set out in Rule 1006 (“**Rule 1006**”) of the SGX-ST Listing Manual, based on the latest announced consolidated accounts (unaudited) of the Company for the financial year ended 30 June 2013 are set out below:

<b>Rule 1006</b>	<b>Bases</b>	<b>Acquisition (US\$ million)</b>	<b>Group (US\$ million)</b>	<b>Relative Figures (%)</b>
(a)	Net profits attributable to the Land acquired compared with net profits of the Group	NA <sup>(1)</sup>	19.172	NA <sup>(1)</sup>
(b)	The Purchase Consideration <sup>(2)</sup> compared with market capitalisation <sup>(3)</sup> of the Company	15.031	182.160	8.25
(c)	Number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue.	NA	NA	NA

- (1) There is no profit attributable to the Land.  
(2) The Purchase Consideration is based on the exchange rate of US\$1: A\$1.1117 on 23 August 2013.  
(3) The market capitalisation of the Company is based upon 933,532,450 Shares in issue as at 23 August 2013 at the price of S\$ 0.2500 per Share (equivalent to US\$ 0.1951 per Share based on the exchange rate of US\$1: S\$ 1.2812) transacted on 23 August 2013.

### 3. FINANCIAL EFFECTS

3.1 **Assumption.** For illustrative purposes only, the financial effects of the Acquisition on the share capital, net tangible assets (“**NTA**”) per share and earnings per share of the Company, based on the latest announced consolidated accounts (unaudited) of the Company for the financial year ended 30 June 2013 are set out below.

3.2 **Share capital.** The Acquisition will not have any impact on the issued and paid-up share capital of the Company.

3.3 **NTA.** Assuming that the Acquisition had been completed on 30 June 2013, being the end of the most recently completed financial year, the effect on the **NTA** per share of the Group as at 30 June 2013 is as follow:

	<u>Before the Acquisition</u>	<u>After the Acquisition</u>
NTA (US\$ million)	291.161	291.161
NTA per share (US cents)	31.19	31.19

Note:

- (1) The effect on the NTA of the Group has been calculated assuming that Ventrade Maylands acquired the Land on 30 June 2013.

3.4 **Earnings.** Assuming that the Acquisition had been completed on 1 July 2012, being the beginning of the most recently completed financial year, the effect on the earnings per share of the Group for the financial year ended 30 June 2013 is as follows:

	<u>Before the Acquisition</u>	<u>After the Acquisition</u>
Profit attributable to shareholders of the Group (US\$ million)	18.462	18.462
Weighted average number of shares of the Group (million)	933.532	933.532
Earnings per share (US cents)	1.98	1.98

Note:

- (1) The earnings per share has been calculated assuming the Acquisition was completed at the beginning of the most recently completed financial year and that Ventrade Maylands had acquired the Land at the beginning of the financial year, i.e. 1 July 2012.

### 4. DEVELOPMENT VENTURE

Ventrade Maylands will enter into a development venture with Finbar Group Limited (“Finbar”), to carry out the re-development of the Land. Finbar is a property developer in Australia with a successful track record in developing luxury residential apartments and heritage building integration. Finbar is listed on the Australian Stock Exchange.

Ventrade Maylands and Finbar have entered into a Development Agreement whereby Ventrade Maylands will contribute the Land and Finbar will contribute one half of the Purchase Price of the Land as working capital and carry out the redevelopment of the Land. Ventrade Maylands and Finbar will share equally in the development profit with Finbar earning a project management fee.

It is proposed that the Land be developed into approximately 336 residential apartments plus an additional 2,100 square metres of commercial space, in two stages of equal size.

#### **5. RATIONALE FOR THE ACQUISITION**

The Directors believe that securing this Acquisition is a strategic opportunity for the Group. The Land is prime development site in an up and coming suburb in Western Australia, in close proximity to the Perth CBD, public transport and retail amenity. The Directors believe that the Acquisition and the development venture will allow the Group to leverage on Finbar's experience in property development to secure a good return for the Company.

#### **6. DIRECTORS' INTEREST AND CONTROLLING SHAREHOLDERS' INTEREST**

Save for their shares in the Company, none of the directors or controlling shareholder of the Company has any interest, direct or indirect, in the Acquisition. Save that Mr Peh Kwee Chim, Director and controlling shareholder, has a 2.84% direct interest in Finbar and a 17.23% deemed interest in Finbar (by virtue of the Company's 17.23% direct interest in Finbar), none of the directors or controlling shareholder of the Company has any interest, direct or indirect in the development venture.

#### **7. SERVICE CONTRACTS**

No person is proposed to be appointed as a director of the Company in connection with the Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

#### **8. DOCUMENTS FOR INSPECTION**

Copies of the Contract for Sale of Land and Valuation Report are available for inspection at the registered office of the Company during normal business hours for a period of 3 months from the date of this Announcement.

For and on behalf of the Board  
of Chuan Hup Holdings Limited

Valerie Tan May Wei  
Company Secretary  
26 August 2013