

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

**JOINT VENTURE WITH SIERA GROUP PTY LTD TO DEVELOP LAND SITE IN SURFERS
PARADISE, QUEENSLAND**

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Chuan Hup Holdings Limited (the “**Company**”) together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s wholly-owned Australian subsidiary, Ventrade Australia Pty Ltd (“**Ventrade Australia**”), has entered into a joint venture with BHHP14 Pty Ltd, an associated company of Siera Group Pty Ltd (“**Siera**”), to acquire and develop a development land site located in Surfers Paradise, Queensland (the “**Joint Venture**”).

Siera and its group of associated companies (together, the “**Siera Group**”) is a boutique residential property developer and builder, specialising in medium-density housing, luxury homes, and small lot subdivisions in South-East Queensland. Established in Brisbane in 2014, the Siera Group has developed more than 70 residential dwellings in key growth markets in South-East Queensland. The Siera Group’s current portfolio comprises a mix of luxury apartments and terrace homes.

2. FORMATION OF JOINT VENTURE COMPANY

Ventrade Australia and BHHP14 Pty Ltd have formed a joint venture company registered in Queensland, Australia named SG14 Pty Ltd.

SG14 Pty Ltd has an initial issued and paid-up capital of A\$100 divided into 100 ordinary shares and will be engaged in the business of multi-resident residential property development projects in South-East Queensland. Ventrade Australia and BHHP14 Pty Ltd each hold 50% of the total equity interest in SG14 Pty Ltd, thereby resulting in SG14 Pty Ltd becoming an associated company of the Company.

The formation of SG14 Pty Ltd was funded using internal cash resources.

3. RATIONALE FOR THE JOINT VENTURE

The Directors believe that the Joint Venture is a strategic opportunity for the Group to venture into residential property development projects in Queensland, Australia. The joint venture development site is centrally located on the exclusive Chevron Island, situated between the heart of Surfers Paradise and the Gold Coast CBD in the suburb of Southport. The Joint Venture will enable the Group to leverage on the Siera Group’s experience in residential property development in Queensland, Australia.

4. INFORMATION ON THE JOINT VENTURE

4.1 Acquisition of Land

SG14 Pty Ltd will acquire a 1,518 square metre land site located at 39, 41 and 43 Darrambal Street Surfers Paradise (the “**Land**”), for a purchase price of A\$4,650,000, excluding government taxes. The Land will be developed into a mixed-residential tower comprising approximately 83 residential apartments across 14 levels.

4.2 Development Management

Siera will provide development management services for the development of the Land and will receive a management fee from SG14 Pty Ltd.

4.3 Funding

Ventrade Australia will contribute 100% of the initial working capital of SG14 Pty Ltd.

4.4 Share of Joint Venture Profit

Ventrade Australia and BHHP14 Pty Ltd will share the Joint Venture net profit in the ratio of 70:30, where the profits to be distributed to Ventrade Australia may be in the form of dividends or interest payments on finance provided.

5. FINANCIAL EFFECTS

The Joint Venture is not expected to have any material impact on the net tangible assets per share or earnings per share of the Company for the financial year ending 30 June 2022.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Joint Venture, save for their shareholdings in the Company.

By Order of the Board
Chuan Hup Holdings Limited

Anne Liew Mei Hong
Company Secretary
12 July 2021